

\$60 Million and Counting:

The cost of vacant and abandoned properties to eight Ohio cities

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Executive Summary

This research documents the magnitude and cost of the vacant and abandoned properties problem in eight Ohio cities—Cleveland, Columbus, Dayton, Ironton, Lima, Springfield, Toledo, Zanesville. The research found:

- 25,000 vacant and abandoned properties
- Widespread vacancies in both large and small cities
- \$15 million in annual city service costs
- \$49 million in cumulative lost property tax revenues to local governments and school districts
- Weakened neighborhood housing markets with evidence of property flipping
- Limited capacity of cities, on their own, to track and address vacant and abandoned properties

“Vacant property” is defined as a chronically vacant and uninhabitable property for which the owner is taking no active steps to return the property to the market.

—Ohio Vacant and Abandoned Properties Study Research Design

What are the costs of Ohio’s vacant and abandoned properties?

The debilitating effects of vacant and abandoned properties are evident in neighborhoods and communities throughout Ohio and the nation, and the recent foreclosure epidemic has made the issue of vacant properties a top news story and catapulted it to the top of public policy agendas. However, this is a long-standing problem in older and central city housing markets, where the issues of predatory and subprime lending and vacant and abandoned housing have existed for many years.

But how many vacant and abandoned properties are there in Ohio cities? Where are these properties located? What are the costs to local governments and neighborhood residents? What are communities doing to track and address these properties?

These are the questions that ReBuild Ohio, a consortium of local government, nonprofit, and civic organizations, sought to answer when, in 2007, they asked Community Research Partners (CRP) to conduct a groundbreaking study on the incidence and costs of vacant and abandoned properties in eight Ohio cities. The research supports ReBuild Ohio’s mission of promoting reclamation of vacant and abandoned properties for economic vitality and enhanced quality of life throughout the state and CRP’s mission to strengthen Ohio communities through data, information, and knowledge.

About the research

The project began with development of a research design, based on an extensive review of national literature on vacant and abandoned properties and their costs to communities. An advisory committee was formed by ReBuild Ohio to help design and guide the project. During the design phase, using criteria that included size, geographic location, demographics, and local interest in the issue, six cities were selected by ReBuild Ohio in which to conduct a citywide assessment of vacant and abandoned properties: Dayton, Ironton, Lima, Springfield, Toledo, and Zanesville. Columbus and Cleveland were chosen for neighborhood-level research. Local stakeholders selected the Franklinton, Livingston-Driving Park, and North Linden neighborhoods in Columbus and the Detroit Shoreway, Mount Pleasant, and Slavic Village neighborhoods in Cleveland.

Using data from city, county, state, and national sources, the research examines: 1) the incidence of vacant and abandoned properties; 2) their costs to local governments; 3) the relationship of vacancy and neighborhood property values; and 4) the causes of vacancy. As part of conducting the research, CRP also learned about how communities are tracking and addressing vacant and abandoned properties.

25,000 vacant and abandoned properties

Using data provided by city agencies, the research identified an estimate of more than 15,000 vacant and abandoned buildings and nearly 10,000 vacant and abandoned lots across the eight study cities. Some cities—Columbus, Dayton, Cleveland, and Zanesville—provided citywide counts. Other cities—Ironton, Lima, Springfield, and Toledo—provided code enforcement data. The research found that, for the cities without citywide inventories, the actual vacancy incidence may be from 2-6 times the city’s figure.

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Table E-1. Estimates of Vacant and Abandoned Residential Properties, Study Cities (1)

	POPULATION ESTIMATE (2)	VACANT RESIDENTIAL BUILDINGS	% OF ALL RESIDENTIAL BUILDINGS	VACANT AND ABANDONED LOTS	TOTAL VACANT BUILDINGS AND LOTS
Cleveland	444,313	7,014	5.6%	5,367	12,381
<i>Study neighborhoods</i>	<i>68,108</i>	<i>1,541</i>	<i>8.8%</i>	<i>381</i>	<i>1,922</i>
Columbus	733,203	3,875	2.1%	993	4,868
<i>Study neighborhoods</i>	<i>58,484</i>	<i>1,091</i>	<i>6.8%</i>	<i>156</i>	<i>1,247</i>
Dayton	156,771	3,439	6.7%	1,996	5,435
Ironton	11,416	48	1.1%	83	131
Lima	38,219	467	3.7%	263	730
Springfield	62,844	126	0.6%	206	332
Toledo	298,446	413	0.4%	877	1,290
Zanesville	25,361	117	1.3%	123	240
<i>Total for study cities</i>		<i>15,499</i>	<i>--</i>	<i>9,908</i>	<i>25,407</i>

- (1) Source of data includes inventories provided by cities and CRP calculations based on data provided by city agencies. May include a small number of mixed-use and commercial buildings. Columbus, Dayton, and Zanesville data based on citywide inventories; Cleveland data from neighborhood surveys conducted by Community Development Corporations; data from other cities based on code enforcement case lists. Toledo count is based on preliminary data.
- (2) American Community Survey 2006; Study neighborhood populations, Census 2000

Multiple causes of vacancy and abandonment

Job loss, population loss, housing stock deterioration, tax delinquency, subprime and predatory lending, and mortgage foreclosure—these have been identified in national literature and the Ohio research as factors that lead to, or are indicators of, vacancy and abandonment. They also are signs of a weak housing market, which can be both a cause and a result of vacant and abandoned properties in a community. Despite their differences in size and geographic location, similar patterns are evident across the cities.

- **Job loss.** From 1999 to 2005, Ohio lost 275,814 manufacturing jobs, and 40% of this loss was in the counties where the study cities are located. Only Franklin County and Lawrence County have created enough new jobs in other sectors to compensate for the loss of manufacturing jobs.
- **Population loss.** From 1970 to 2000, all the study cities, with the exception of Columbus, had a population loss ranging from about one-fifth to one-third of their 1970 population. During this time, the Columbus “older city” (within the city’s 1950 boundaries) lost 30% of its population.
- **Older housing stock.** Older structures are more likely to be vacant and abandoned than newer housing. In the study cities, with the exception of Columbus, from one-third to one-half of all housing units were built before 1940, compared to 22.5% for all of Ohio. In older Columbus, nearly three-quarters of the housing is pre-1940.
- **Property tax delinquency.** In 2005, all of the study cities, except Columbus, had at least \$128 in delinquent real property taxes for every \$1,000 of taxes levied in 2005, and these delinquency rates were two to three times that for all Ohio cities.
- **Foreclosure and subprime lending.** In Ohio, there were over 79,072 foreclosure filings in 2006, compared to 15,975 in 1995. The study cities also had big jumps in foreclosures, with the 2006 filings for counties where the cities are located from 4-8

times the number of 1995 foreclosures. In 2006, at least one in five home refinance loans in these counties was through a subprime lender. In six of the counties, nearly one in seven home purchase loans was also subprime.

\$64 million in costs to local jurisdictions

Vacant and abandoned properties impose high costs on local communities. Cities bear the costs of municipal services—code enforcement, boarding, demolition, maintenance, and police and fire—associated with addressing vacant property. Local jurisdictions—in particular school districts—feel the impact of lost tax revenue from these properties. These costs and lost revenue have ripple effects in communities, limiting resources to address the problem of vacancy and to provide essential city services.

The research conservatively identified nearly \$64 million across the eight study cities in costs to local jurisdictions related to vacant and abandoned properties. This included nearly \$15 million in city service costs and over \$49 million lost tax revenues from demolitions and tax delinquencies. Some cities recoup a small portion of these costs through fines, fees, and assessments. However, this represents just the tip of the iceberg. Based on the figures for the Dayton citywide assessment, complete Cleveland, Columbus, and Toledo data would add millions of dollars to these totals.

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Table E-2. Estimated Local Jurisdiction Costs of Vacant and Abandoned Residential Properties, 2006

	CODE ENFORCEMENT STAFF	DEMOLITION AND BOARDING	GRASS AND TRASH	FIRE AND POLICE RUNS (5)	TAX LOSS	RECOUPED COSTS	TOTAL IDENTIFIED COSTS
Cleveland (1, 2)	--	\$1,234,666	\$3,275,000	--	\$30,728,020	--	\$35,542,686
<i>Detroit Shoreway</i>				\$60,000			
<i>Mount Pleasant</i>				\$70,000			
<i>Slavic Village</i>				\$175,000			
Columbus (1)	--	\$196,699	\$515,182	--	\$7,502,424	--	\$8,399,305
<i>Franklinton</i>				\$90,000			
<i>Livingston-Driving Park</i>				\$45,000			
<i>North Linden</i>				\$50,000			
Dayton	\$1,722,879	\$831,677	\$787,100	\$331,998	\$8,763,402	(\$167,000)	\$12,270,056
Ironton	\$10,333	\$22,185	\$6,560	\$30,000	\$203,994	\$0	\$273,072
Lima	\$171,000	\$150,700	\$138,350	\$104,342	\$1,402,828	(\$127,182)	\$1,840,038
Springfield	\$102,027	\$355,163	\$71,784	\$46,875	\$578,864	(\$17,399)	\$1,137,314
Toledo (3)	\$954,000	\$2,390,140	\$723,985	NA	NA	(\$174,438)	\$3,893,687
Zanesville (4)	\$60,000	\$21,879	\$18,046	\$55,699	\$25,032	\$0	\$180,656
Total	\$3,027,310	\$5,203,109	\$5,536,007	\$1,058,914	\$49,204,564	(\$486,019)	\$63,536,814

Sources: See Sections 1 and 2 and individual assessments for detailed descriptions of data sources and methodology

- (1) The Cleveland and Columbus assessments focused on neighborhood financial impacts and data on code enforcement staff costs, police runs and recouped costs were not requested; fire incident was collected for the neighborhoods only, all other cost data is citywide
- (2) Cleveland costs for demolition only
- (3) Toledo cost estimates are based on preliminary data, it was not possible to determine fire incidents or tax loss from available data
- (4) Zanesville provided a range of costs for staff and boarding; the table includes the highest figure
- (5) Police personnel data for Dayton, Lima, Springfield and Zanesville only; Dayton fire data for calendar year 2006; all other cities for January 2006-August 2007

Weakened neighborhood housing markets

The research examined the patterns of vacant and abandoned properties and the values of occupied residences in three neighborhoods in Cleveland and Columbus. County Auditor data was analyzed to determine the assessed property tax values and sales prices of occupied homes based on their proximity to vacant and abandoned properties, and the change in value and price over two points in time. The analysis revealed a number of patterns, some expected and some unexpected:

- **Expected pattern of decrease with proximity to vacancy.** Some data showed expected patterns, where assessed values and sales prices increased with distance from vacant properties. In the North Linden neighborhood in Columbus, the increase in median sales price from 1999-2000 to 2005-2006 for properties on a block with three or more vacancies was about half that for properties sold on a block with fewer or no vacant residences (11% increase; +\$6,250 vs. 21-24% increase; +\$15,000). In the Detroit Shoreway neighborhood in Cleveland, the change in assessed value from 2002 to 2006 for residences with three or more vacancies on the same block was less than for properties on blocks with fewer or no vacancies (35% increase; +\$11,314 vs. 46-51% increase; +\$17,000).
- **No discernable pattern with widespread vacancy.** In neighborhoods where vacancy is widespread there was sometimes little difference in assessed values and sales prices between groups of homes close to vacancies and properties located farther away. In the Mount Pleasant neighborhood in Cleveland, only about \$500-\$2,000 separated the housing values and sales prices across all groups, with no discernable pattern evident. Mount Pleasant, Detroit-Shoreway, and Livingston-Driving Park exhibited some “flattening” of the market over time, where price differences across the neighborhood housing market evident in the earlier years had diminished.
- **Unexpected pattern and evidence of property flipping.** A counterintuitive pattern, where properties closest to vacancies had the greatest increases in value and price, emerged in a number of the neighborhoods. In neighborhoods where the pattern was most striking, as in Slavic Village in Cleveland and Franklinton in Columbus, it appears to be evidence of property flipping, unscrupulous real estate practices, or both. Data on property transfers in Slavic Village found that from 2004-2006 there were 223 properties with more than one title transfer in a year and with sales price increases of 100% or more.

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Table E-3. Cleveland and Columbus Overall Neighborhood Value and Price Patterns

	EXPECTED PATTERN Values and prices generally lower in closer proximity to vacancy	NO DISCERNABLE PATTERN Few differences in value and price based on proximity to vacancy	UNEXPECTED PATTERN Values and prices generally higher in closer proximity to vacancy	MIXED PATTERN Mix of patterns or no predominant pattern
Cleveland		Mount Pleasant	Slavic Village	Detroit Shoreway
Columbus	North Linden		Franklinton	Livingston-Driving Park

Sources: County Auditor databases; CRP calculations

Observations from the research

A number of observations and themes that cut across communities emerged from the research:

1. Tracking properties

Cities face challenges tracking vacant properties. All cities face challenges identifying and tracking vacant and abandoned properties. The research uncovered a range of tracking systems (or lack of systems), including comprehensive, citywide inspections conducted by Dayton, Columbus, and Zanesville, surveys conducted by neighborhood organizations in Cleveland, and limited, complaint-driven code enforcement data in Springfield, Lima, Ironton, and Toledo.

Cities need assistance to implement good tracking systems. The Dayton vacant property survey requires the work of nearly every housing inspector on staff (23 staff in 2006) for about three months. Most cities would need funding for staff and technology, as well as technical assistance, to establish and use an enhanced tracking system and the data it produces.

Characteristics of a model tracking system. A model tracking system should include: 1) a regular citywide inspection “sweep” and inventory; 2) a cross-agency electronic data system that can be easily queried to produce a variety of reports; 3) common and clear definitions for data elements and property status; 4) a uniform system of assigning property identifiers that links with county auditor data; 5) assignment of costs to city activities related to these properties; and 6) regular updates of the status of properties being tracked and longitudinal data.

2. Impact on cities

Fewer resources to address vacancy, provide city services, and fund schools.

The study conservatively identified over \$60 million in costs to local communities to address vacant and abandoned properties. If these costs were spread across every household in these communities, it would range from nearly \$200 per household in Cleveland and Dayton, to about \$20 in Columbus.

City government pays the direct municipal service costs; however, over 75% of the financial impact is the result of lost property tax revenues. These costs to local communities limit the resources to address vacancies, as well as to fund other vital city services. The greatest impact of tax loss is felt by school districts, which receive about two-thirds of real property tax revenue.

A large impact on small cities. The impacts of vacant and abandoned properties are very visible and more widely known in Ohio’s largest cities. What is not so well known is what is happening in Ohio’s smaller cities. Lima, with a 2006 population of 38,219, reported an official count of 467 vacant and abandoned properties and an unofficial estimate as high as 1,400. In comparison, Columbus (population 722,033) reported 3,875 vacancies in 2006. These small cities tend to have weak housing markets and limited staff and financial resources to address vacant and abandoned properties.

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Table E-4. Estimated Per Household Cost of Vacant and Abandoned Properties

CITY	TOTAL COSTS IDENTIFIED (city services and tax loss)	TOTAL HOUSEHOLDS 2000	ESTIMATED PER HOUSEHOLD COST
Cleveland	\$35,542,686	190,638	\$186
Columbus	\$5,866,382	301,534	\$ 19
Dayton	\$12,277,127	67,409	\$182
Ironton	\$273,072	4,906	\$ 56
Lima	\$1,840,038	15,410	\$119
Springfield	\$1,137,314	26,254	\$ 43

Source: Census 2000; CRP calculations

The important role of code enforcement staff in addressing vacancies. The growing numbers of vacant and abandoned properties place a great burden on code enforcement staff, particularly in smaller cities, where the staff wears many hats. They have the challenge of responding to citizen complaints, conducting inspections, working with uncooperative (or missing) property owners, and tracking compliance. These code enforcement staff are essential to implementing programs to track and address vacant and abandoned properties.

3. Impact on neighborhoods

Vacant properties blight neighborhoods. Site visits and conversations with city officials revealed similar perspectives across cities—that the blighting influence of vacant and abandoned properties negatively affects the quality of life in neighborhoods. Evidence of blight includes deteriorating properties that are eyesores, weeds, trash, crime, and fires. Vacancies create a downward spiral for neighborhood housing markets that is difficult to correct, even with large infusions of public dollars.

Financial impact is hard to quantify in neighborhoods with widespread vacancies. In the Columbus and Cleveland neighborhoods analyzed, the more widespread the vacancies, the less likely there were discernable patterns of impact on property values. These mixed or unclear patterns may be a reflection of pre-existing property values, factors not captured in the data analysis (e.g. vacancies in an adjacent neighborhood, location near a highway), an overall weak or dysfunctional neighborhood housing market, or even city policies to address vacancy, such as aggressive demolition.

Hardest hit areas show evidence of flipping or fraudulent mortgage schemes. In the areas of neighborhoods with high concentrations of vacancies, the patterns were sometimes the opposite of what would be expected—properties in closest proximity to vacancies experienced greater increases in assessed value and sales price than those farther away. One explanation for this is flipping by unscrupulous investors. In Cleveland, the study neighborhoods are known to be the target of property flipping and fraudulent mortgage schemes by investors who seek to make a quick profit by buying and reselling these properties within a short period of time. This is also an issue in smaller cities, as was noted by Zanesville officials.

4. Addressing vacant properties

Cities are taking a variety of approaches to addressing vacant properties. Although the research did not focus on creating a comprehensive picture of how cities are addressing vacant properties, discussions with city staff and site visits identified a variety of approaches that the cities are taking to prevent and address vacancies.

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Table E-5. Strategies to Address Vacant and Abandoned Properties

STRATEGY	SELECTED EXAMPLES
Targeted and coordinated code enforcement	<ul style="list-style-type: none">• Toledo Dirty Dozen and Worst to First programs• Zanesville collaboration between city code enforcement and municipal judge• Lima “board down” ordinance
Overcoming legal hurdles	<ul style="list-style-type: none">• Dayton national lender contact list of responsible parties for foreclosed homes• Cleveland Housing Court
Aggressive demolition	<ul style="list-style-type: none">• Cleveland• Springfield• Dayton• Toledo
Land banking	<ul style="list-style-type: none">• Cleveland Land Bank• Columbus Land Bank• Lima Land Acquisition and Neighborhood Development (LAND) bank
Investment in neighborhood revitalization	<ul style="list-style-type: none">• Columbus Home Again Program• Cleveland Model Block Program and Strategic Investment Initiative
Partnerships to prevent foreclosure	<ul style="list-style-type: none">• Ohio NeighborWorks Foreclosure Intervention Initiative and the Ohio Rescue Fund (nonprofit organizations in Columbus, Springfield, Cleveland, Toledo, Dayton, Appalachian region)• Information and intervention initiative of Neighborhood Progress, Inc., the Poverty Center at Case Western Reserve University, Cleveland CDC’s, and other local stakeholders
Impacting public policy	<ul style="list-style-type: none">• Columbus: United Way of Central Ohio Public Policy Committee• ReBuild Ohio statewide public policy agenda

5. Improved data needed

Throughout the report there are numerous descriptions, explanations, and caveats regarding the data collected for this study. These suggest areas where improved data availability would enhance future research. Specifically, there is a need for: 1) consistent data across cities; 2) improved data on city service costs; 3) data on vacant and abandoned commercial and industrial properties; and 4) longitudinal data on vacancies.

1

Introduction and Background

This section describes the purpose of the study, how it was designed, the research methodology, and the format of the report.

- 1.01 Project Background
- 1.02 Research Methodology
- 1.03 Format of the Report

1.01. Project Background

Project purpose and partners

\$60 Million and Counting: The cost of vacant and abandoned properties to eight Ohio cities documents and quantifies the vacancy and abandonment problem in the state. Using eight Ohio cities as "snapshots," this study measures the magnitude of the problem and identifies direct and indirect costs arising from vacant properties for local governments, communities, and property owners in neighborhoods hard hit by vacancies.

The Ohio Vacant and Abandoned Properties Study is a project of ReBuild Ohio, a consortium of local government, nonprofit and civic organizations concerned with the debilitating effects of vacant and abandoned properties in Ohio. ReBuild Ohio's mission is to promote reclamation and redevelopment of vacant and abandoned properties for economic vitality and enhanced quality of life in neighborhoods, towns and cities throughout the state. Its highest priority is to reduce the number of problem properties in the state by breaking the cycle of abandonment and removing barriers to the redevelopment of residential, commercial and industrial land. Research, education, and advocacy are its means to that end.

In 2006, ReBuild Ohio contracted with Community Research Partners (CRP) to design the vacant properties study, and based on that design, asked CRP to conduct the research study in 2007. CRP is a unique nonprofit research center based in Columbus that strengthens Ohio communities through data, information and knowledge. CRP is a partnership of the City of Columbus, United Way of Central Ohio, the John Glenn School of Public Affairs at The Ohio State University, and the Franklin County Commissioners. Since 2000, CRP has undertaken over 100 programs and projects in the areas of community data, applied and policy research, and program evaluation, both within and outside of Central Ohio, and across a wide range of program and policy areas.

Research design

The project began with development of a research design, based on an extensive review of literature and best practices in identifying vacant and abandoned properties and their costs to communities. The *Vacant Property Costs and Impact Study Research Design* report, funded by Ohio Capital Corporation for Housing, was completed by CRP in early 2007. The goals of the design phase were to determine the research methodology and select eight communities that would be the subjects of the study.

CRP worked with ReBuild Ohio and its Project Advisory Group to review census data on 94 Ohio communities. From this list, 13 cities were selected for assessment as part of the research design. Selection criteria included: geographic distribution across the state, population size and composition, political representation, housing vacancy rate, and known interest in, or capacity to address, the issue of vacant and abandoned properties. The 13 cities selected by ReBuild Ohio to include in the research design phase were: Cleveland, Columbus, Chillicothe, Dayton, Euclid, Ironton, Lima, Middletown, Norwood, Springfield, Toledo, Youngstown, and Zanesville. Early in the design phase ReBuild Ohio determined that Cleveland and Columbus would be included in the research, but that the focus would be on vacancies in specific neighborhoods, rather than on the entire city. Separate neighborhood selection processes were established in

Cleveland and Columbus, occurring in parallel to the CRP research design activities, to identify three study neighborhoods in each community.

Research design methodology

The following methods and data sources were used for the research design report:

1. A review of state and national literature on vacant and abandoned properties, including methodologies used by researchers to define vacancy and determine the economic impact of vacant properties in U.S. cities
2. Telephone interviews with city officials in the 13 cities to determine the availability of data on the extent of vacancy and local government costs related to vacant and abandoned properties and to gauge the interest of the local community in the issue of vacant properties
3. Review of samples of datasets provided by local government officials (i.e., vacant property inventories, demolition lists, etc.)
4. Internet research and email requests to assess the property data available from the offices of County Auditors for each of the counties where the 13 cities are located
5. Analysis of demographic and housing market data to assist a local group in the selection of Columbus neighborhood study areas

Based on this data collection and analysis, CRP prepared the *Vacant Property Costs and Impact Study Research Design* report, which comprised CRP's recommended research design for the *\$60 Million and Counting* report. The research design report included a working definition of "vacant and abandoned" properties; the selection of six citywide research sites; and the research methodology and intended products, all of which are summarized in Section 1.02.

1.02. Research Methodology

Definition of vacant and abandoned

Based on a review of the literature, CRP and ReBuild Ohio arrived at the following definition of “vacant property” for the research study:

Vacant property is defined as a chronically vacant and uninhabitable property for which the owner is taking no active steps to return the property to the market.

Within this broad definition, the research was to focus on vacant and abandoned residential properties and small commercial properties in, or on the fringes of, residential neighborhoods. Throughout this report, the terms “vacancy” or “vacant properties” are sometimes also used to refer to vacant and abandoned properties.

Selected communities

The following six cities were selected in which to conduct a citywide assessment of vacant and abandoned properties (see Map INT-1): Dayton, Ironton, Lima, Springfield, Toledo, and Zanesville.¹ In Columbus, the research focused on the Franklinton, Livingston-Driving Park, and North Linden neighborhoods. In Cleveland, the Detroit Shoreway, Mount Pleasant, and Slavic Village neighborhoods were selected.

Research activities

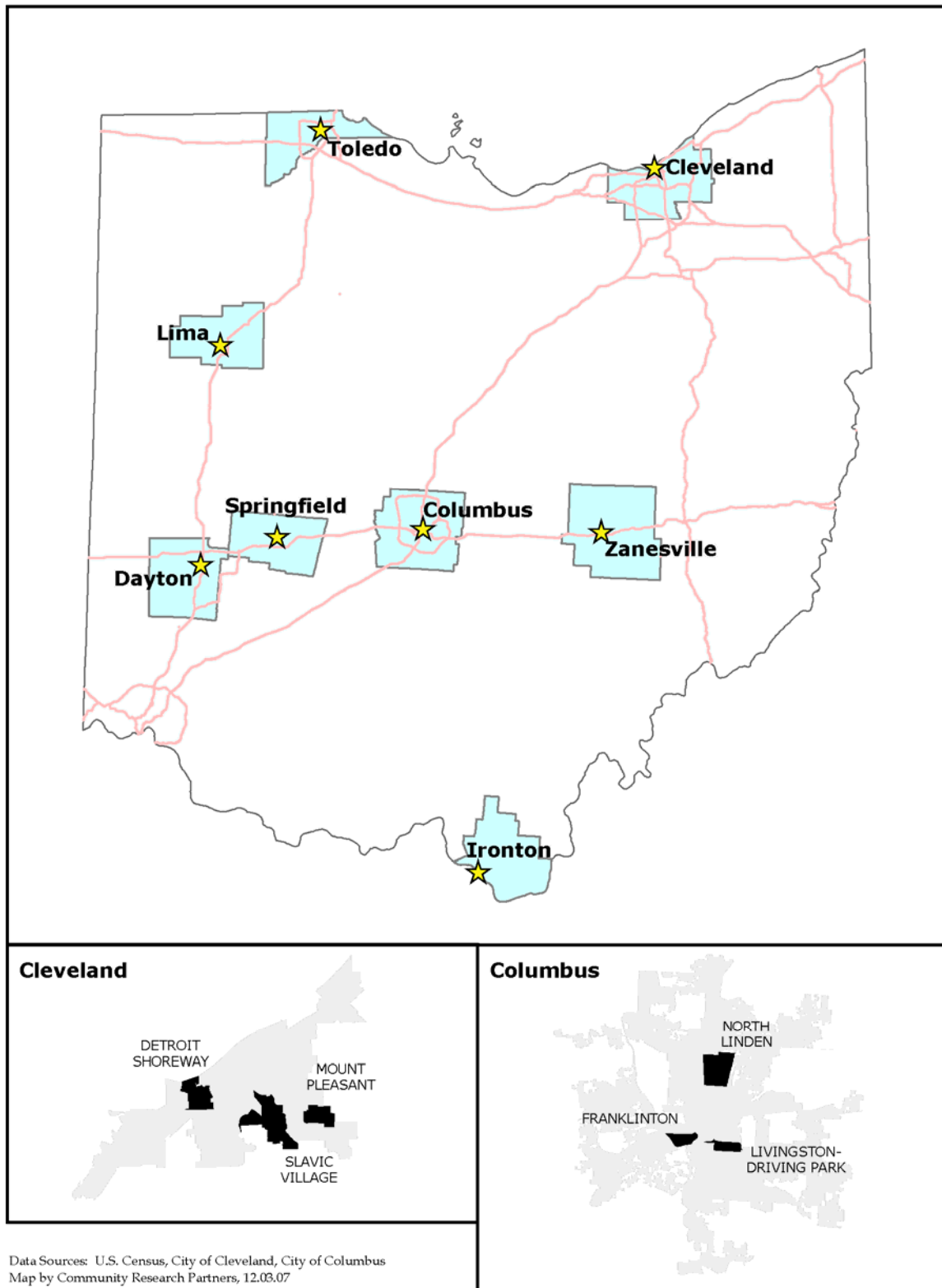
Citywide assessments

To the extent that data were available, the following analyses were prepared for each of the citywide assessments:

- **City profile.** An overview of key demographic, economic, and housing characteristics, primarily taken from census data and county auditor data
- **Incidence of vacant and abandoned properties.** The number, type, and location of vacant and abandoned residential and mixed-use (residential/commercial) buildings and vacant and abandoned lots, including a description of the city’s methods for identifying and tracking these properties
- **Costs to local governments of vacant and abandoned properties.** An analysis of local government costs (code enforcement staff, boarding and demolition, grass mowing and trash removal, fire and police services); and foregone tax collections, including a description of how these costs are calculated
- **Perspectives on vacant properties.** A summary of informal observations by community officials and CRP staff about: 1) how the community is addressing vacant and abandoned properties; and 2) the impacts of vacant and abandoned properties on the community

¹ Although it was the intention of CRP and ReBuild Ohio to include Toledo in the research, sufficient data were not provided by the city within the research timeframe to enable CRP to complete the type of assessment for Toledo that was done for the other cities in Section 4. The appendix includes an overview of the available data on vacant and abandoned properties in Toledo and available data for Toledo is also included in Section 2, Overview of Findings.

Map INT-1: Vacant and Abandoned Properties Study Sites



Columbus and Cleveland neighborhood assessments

To the extent that data were available, the following analyses were prepared for the Columbus and Cleveland assessments:

- **City and neighborhood profiles.** An overview of key demographic, economic and housing characteristics and assessed housing values, from census data and county auditor data
- **Incidence of vacant and abandoned properties.** A citywide overview of the number of vacant and abandoned buildings and lots and the city's method for tracking these properties.
- **Costs to local governments of vacant and abandoned properties.** An analysis of selected city service costs (boarding and demolition, grass mowing and trash removal, fire runs) and lost property tax revenues, including a description of how these costs are calculated
- **Patterns of vacant properties and neighborhood property values.** An analysis of the patterns of property values in three neighborhoods in relationship to their proximity to vacant and abandoned properties, using data on assessed property values and sales prices at two points in time
- **Perspectives on vacant properties.** A summary of informal observations by community officials and CRP staff about: 1) how the community is addressing vacant and abandoned properties; and 2) the impacts of vacant and abandoned properties on the community

Data sources

Data for the study came primarily from the following sources:

- City agencies, including code enforcement, building, community development, public service, health, and police departments
- County Auditor offices
- Ohio Department of Commerce, Division of State Fire Marshal
- U.S. Census Bureau
- Center for Housing Research and Policy, Cleveland State University
- Detroit Shoreway, Mount Pleasant, and Slavic Village Community Development Corporations (CDC)

In addition, CRP staff had numerous conversations with city staff and made site visits to the study cities to meet with local officials and view firsthand the location and condition of the community's vacant and abandoned housing stock.

Incidence of vacant and abandoned buildings

There is no central, cross-city data source on the incidence of vacant and abandoned properties in Ohio communities. As a result, data on the incidence of vacancies was collected from each community, and the counting and tracking of these properties vary widely among the cities (Table I-1). In each community, the primary data contact was in the code enforcement or community development department. Because of the spotty nature of data on non-residential vacancies, and the difficulty in determining and

comparing vacancy rates for non-residential properties, the analysis in the report generally includes only residential vacancies, although the incidence counts for some cities include a small number of mixed use (residential and commercial) or non-residential buildings. These are noted throughout the report where applicable.

Dayton and Columbus have recently (2006-2007) carried out a comprehensive code enforcement sweep to identify vacant properties. Citywide inspections were conducted in Zanesville in 2002-2004. In Cleveland, most residential areas of the city have been recently surveyed by their local CDC. In other communities, data were taken from the community's nuisance property list and/or condemnation or pending demolition list.

Steps were taken to ensure that properties appearing in multiple administrative datasets were not double-counted (for example, the same address appearing on a list of properties boarded by the city *and* on a list of pending demolitions). In addition, properties known to have been demolished by the end of 2006, but which had not yet been purged from the city's code enforcement database, were excluded from the incidence count. Section 2 provides a more in-depth description and analysis of various methods that cities employ to identify and track vacant and abandoned properties.

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Table 1-1. Vacant and Abandoned Buildings Data Sources, Study Cities

	LOCAL GOVERNMENT DATA SOURCE
Cleveland	Inventories based on surveys conducted by neighborhood Community Development Corporations and provided to the city (Cleveland Department of Community Development)
Columbus	Properties in fair or poor condition in the code enforcement database, based on a 2006 citywide windshield survey and ongoing code enforcement activity (Columbus Code Enforcement Unit, Department of Development)
Dayton	Vacant structure inventory based on a 2007 citywide code enforcement sweep (Dayton Department of Building Services, Housing Inspection Division)
Ironton	Unresolved emergency repair violations, nuisance properties, condemned properties, pending demolitions, and other buildings with multiple violations (Ironton Building Department)
Lima	Properties identified as demolition priorities and buildings with an occupancy status of "abandoned" or "vacant" in the Property Maintenance and Code Enforcement Program database (Lima Department of Community Development, Code Enforcement Division)
Springfield	Properties currently with boarded status and properties with active notices to "board and secure" or "repair or demolish," based on city code enforcement records (Springfield Code Enforcement Division)
Toledo	Properties boarded in 2006, and addresses targeted for the city's aggressive code enforcement programs (Worst to First residential and Dirty Dozen non-residential) (Toledo Department of Neighborhoods, Division of Code Enforcement)
Zanesville	Properties on the pending demolition list, properties with open condemnation orders, 2006 boardings, and other properties identified by code enforcement as vacant and in fair or poor condition. Lists include data from citywide inspections conducted in 2002-2004. (Zanesville Building and Code Enforcement Division)

Analysis of County Auditor data to identify vacant and abandoned properties

County Auditor data include both the physical characteristics and the ownership and tax status of all structures and properties in a county. CRP analyzed the Franklin County and Montgomery County auditor databases to determine if there were data elements that correlated with known vacant and abandoned properties in Columbus and Dayton, the two study cities that had recently conducted citywide vacant property inventories. If this

were the case, auditor data could be used to determine both the incidence and location of vacancies in communities that did not conduct vacant property inventories. However, no characteristic or combination of characteristics (e.g. age, size, condition, value, tax delinquency, foreclosure filings) were found that encompassed the bulk (defined as 75%) of known vacant properties, while excluding the bulk (90%) of non-vacant properties. Section 2 includes additional information about the analysis of County Auditor data.

Incidence of vacant and abandoned lots

The research design initially proposed to estimate the number of vacant and abandoned lots with no structures using auditor assessment values, i.e. where a parcel's land value equals the total property value or, alternatively, where the value of building/improvements equals \$0. In the course of the project, CRP discovered two weaknesses in this approach. First, assessed valuation may not be present in the auditor's database for permanently exempt or temporarily abated properties. A second and more common issue is the reality that vacant land often has a functional use. For instance, an empty residential lot may be used as a side yard for an adjacent property or an undeveloped commercial parcel of land may be used as a parking lot or staging area. In cases like these, a parcel's \$0 building/improvement value may not indicate vacant and abandoned land.

The best estimate of vacant and abandoned land came from the administrative data of the city department (usually health, public works, or code enforcement) responsible for mowing, removing refuse, and otherwise maintaining neglected vacant lots, and then removing from the list those properties that were in the vacant building inventory. It was assumed that the remaining properties on the mowing list were vacant and abandoned lots. Additionally, data on recent demolition activity were also reviewed, with the presumption that municipal demolition leaves behind a vacant and abandoned lot.

In Ironton, where a mowing list was not available, auditor's data was used. Properties were considered "vacant" if they had no structures and a tax delinquency equal to or greater than the annual property tax assessment. In Cleveland, the number of vacant and abandoned lots comprises the total properties in the city's land bank.

Calculating municipal costs of vacant and abandoned property

William Apgar's study (2005), *The Municipal Costs of Foreclosure*, identifies 26 individually-quantified costs that may be related to the provision of "foreclosure related services." From the Apgar research, CRP selected the following municipal costs that are most related to vacant and abandoned properties as the focus of data collection on municipal costs for the Ohio research:

- Conducting building inspections, filing reports, recording data, serving notices to owners to secure a building, and serving notices of demolition
- Net boarding costs
- Demolition of a structure
- Tax loss from demolition and unpaid property taxes
- Utility (water/sewer) bill delinquency
- Trash removal and mowing costs
- Fire suppression
- Police runs

Municipal cost data sources

The ability to emulate Apgar's methods of measuring municipal costs was dependent on the availability and accessibility of administrative data from each of the study cities. The specific methodology used to calculate municipal costs is described in each citywide and neighborhood assessment (Sections 4 and 5), and additional discussion of the use of administrative records for cost analysis is included in Section 2. The following describe the methodologies used to collect and analyze municipal cost data:

- **Code enforcement and maintenance costs:** Data provided by city agencies were used to estimate code enforcement operating costs, demolition, boarding, and grass mowing and trash removal costs related to vacant and abandoned properties. Cities were also asked to calculate the amount of these costs that are recouped from property owners through assessments, fees, and fines. Data were not collected for legal costs. The data provided, and the level of data manipulation required by CRP, varied from city to city (see Table 2-13 and Sections 4 and 5).
- **Fire services data.** Address-level data on fire incidents for the six citywide assessments and the Cleveland and Columbus study neighborhoods were available from the Ohio Department of Commerce, Division of State Fire Marshal. In Dayton, fire data were available for the period January 2006–December 2006. For the other study cities, data were available for the period January 2006–August 2007. However, it is not possible to know from these data whether the fire occurred after the property became vacant or was the cause of the vacancy. The cost for a fire run was estimated at \$5,000 per fire incident (applied uniformly across all study cities), based on 2005 data collected by the Cincinnati Department of Buildings and Inspections for the Vacant Buildings Maintenance License Code program. The estimate assumes that one-third of fire runs to vacant properties are for larger fires and two-thirds are for smaller fires.
- **Police services data.** For the citywide assessments (police data were not collected for Cleveland and Columbus), local police departments were provided with a list of addresses derived from each city's inventory of vacant and abandoned buildings. For cities with small inventories, the complete list of addresses was provided, and for those with large inventories, a subset of addresses was provided. Police departments were asked to identify which of these addresses had one or more calls for police service in 2006. Departments were also asked to describe the nature of a typical call to a potential vacant and abandoned house, and to estimate the average cost of a call. The estimate of the average cost per call for Dayton, Springfield, and Zanesville is based on a calculation of time spent per call multiplied by an officer's hourly salary. In Lima, the city was also able to estimate vehicle use costs per police call. Cost data were not available for Ironton and Toledo.
- **Delinquent utility (water/sewer) bills.** CRP found that it was not feasible to access and use these data for the study. Utility department databases in the study cities generally did not interface with code enforcement or other property databases. In some cities, utility records include only account numbers and do not include addresses. Another barrier was the inability to correlate shut-off dates with vacancy dates. Additional discussion of the use of utility department data is included in Section 2.

Calculating tax loss related to vacant properties

The tax loss to local jurisdictions from vacant and abandoned properties was calculated in three ways:

- **Tax delinquency from vacant and abandoned buildings.** The 2006 tax delinquency in the county auditor database for all addresses in the city's vacant and abandoned building inventory.
- **Tax delinquency from vacant and abandoned lots without buildings.** The average 2006 tax delinquency in the county auditor database for all tax delinquent vacant residential lots in the city, multiplied by the city's estimated number of vacant and abandoned lots.
- **Tax loss from demolitions.** Tax loss from demolitions in 2006 was estimated by calculating the median assessed building value of all residential properties in the census tract in the city where the incidence of vacant properties was highest. That value, which was assumed to be representative of any house demolished within the city in 2006, was then multiplied by the effective tax rate in the tract to derive the estimated tax loss incurred by demolishing one building of that value. That figure was multiplied by the known total number of demolitions within each city in 2006.

These methodologies were also used to calculate tax loss and tax delinquency within each of the three study neighborhoods in Cleveland and in Columbus.

Neighborhood assessments

Demographic and housing profiles

For neighborhoods, census data are presented for the set of tracts that best represents the neighborhood area. Total, occupied, and owner-occupied units and change 1990-2000 are drawn from the U.S. Census Neighborhood Change Database, which reconciles tract alignment and data across decennial censuses.

Vacancies and neighborhood property values and sales prices

For the assessment of financial impact of vacant and abandoned properties on Cleveland and Columbus neighborhoods, after testing a variety of approaches to data analysis, CRP selected two methodologies to analyze the pattern of vacant and abandoned properties and the relationship to the value of occupied residences:

- **Straight line distance from a vacant property.** Classifies each occupied residential property by its straight line distance to the nearest vacant residential property, regardless of street grid and obstacles of the terrain. The range of distances (150-foot increments, up to 450+ feet from a vacant property) is modeled after Temple University's *Blight Free Philadelphia* study (described in the research design report).
- **On the same block face.** Assigns all properties to a "facing block" (street segment in the Census TIGER 2006 file) and then classifies each occupied residential property according to the number of vacant residential properties fronting on that same block.

CRP's methodology looks at two measures of property value:

- **Assessed value.** The values assigned to a property for property tax assessment purposes by the County Auditor in 2002 and 2006.

- **Sales value.** Data from County Auditor records for sales transactions with warranty deeds during two, two-year time periods: 1999-2000 and 2005-2006.

This research looks only at *patterns* of relationship between vacancy and property values. The scope of the project *did not* include conducting statistical analyses that test for correlation or cause and effect or that account for dissimilar physical and location characteristics of the housing stock within a neighborhood. Additional description of this methodology is found in the Cleveland and Columbus assessments in Section 5.

1.03. Format of the report

The report includes the following sections:

- **Executive Summary**
- 1. **Introduction:** the purpose of the study, how it was designed, the research methodology, and the format of the report
- 2. **Overview of findings:** an overview and comparison of data across the study communities on the causes, incidence, and financial impact of vacant and abandoned properties
- 3. **Observations from the research:** observations and themes from the research that cut across communities, along with excerpts from the community assessments that illustrate the observations and highlight the range of experiences across the study cities
- 4. **Citywide assessments:** analysis of the magnitude and local government costs associated with vacant and abandoned properties in the five Ohio cities for which citywide research was conducted: Dayton, Ironton, Lima, Springfield and Zanesville
- 5. **Cleveland and Columbus assessments:** an overview of the problem of vacant and abandoned properties in Cleveland and Columbus, and an examination of patterns of vacant and abandoned houses in relation to values of occupied residences in three Cleveland neighborhoods (Detroit Shoreway, Mount Pleasant, Slavic Village) and three Columbus neighborhoods (Franklinton, Livingston-Driving Park and North Linden)
- **Appendices:** Sources of input (administrative data sources, local staff and representatives, literature); Toledo overview based on preliminary data; and a summary of the recent incidence of “quick resales” in Cleveland and Columbus neighborhoods

City and neighborhood assessment format templates

Each of the city and neighborhood assessments (Sections 4 and 5) include a great deal of data in the form of narrative, tables, and maps. Much thought has gone into how this information is formatted and displayed. Each of the assessments is built on the same template, beginning with a 2-3 page summary that provides a quick overview of key findings. The reader will notice that there is repetition in the text from section to section. This was done intentionally to make it easier to navigate these sections and make comparisons across cities and neighborhoods.

Caveats about accuracy

CRP has been very careful in collecting, analyzing and presenting data from a variety of sources to prepare this report. Although CRP has judged its data sources to be reliable, it was not possible to authenticate all data. If careful readers of the report discover data errors or typographical errors, CRP welcomes this feedback.

2

Overview of Findings

This section provides an overview and comparison of data across the study communities on the causes, incidence, and financial impact of vacant and abandoned properties.

- 2.01 Causes and Indicators of Vacancy and Abandonment
- 2.02 Counting and Addressing Vacant and Abandoned Properties
- 2.03 The Costs of Vacant and Abandoned Properties

2.01. Causes and Indicators of Vacancy and Abandonment

Job loss, population loss, housing stock deterioration, tax delinquency, subprime lending, and mortgage foreclosure—these have been identified in national literature and the Ohio research as factors that lead to, or are indicators of, vacancy and abandonment. They also are signs of a weak housing market, which can be both a cause and a result of vacant and abandoned properties in a community. The data in this section provide an overview of the extent to which the study cities have been impacted by these causes of vacant and abandoned properties and have the characteristics of weak market cities. Despite the differences in size and geographic location, similar patterns are evident across the cities.

Job loss

Ohio has been particularly hard hit by the loss of U.S. manufacturing employment. From 1999 to 2005, Ohio lost 275,814 manufacturing jobs, or one of every four jobs in this sector (Table 2-1). Forty percent of the state's manufacturing job loss was in the counties where the study cities are located. Only Franklin County and Lawrence County created enough new jobs in other industry sectors to compensate for the lost manufacturing employment. However, many of the new jobs created have been in the typically lower paying service sectors. As a result, manufacturing workers who lost their jobs may have been unable to find employment that pays enough to enable them to keep their homes, possibly leading to vacancy and abandonment.

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Table 2-1. Employment by County of Work, 1999-2005

	TOTAL FULL- AND PART-TIME EMPLOYMENT				MANUFACTURING EMPLOYMENT			
	1999	2005	CHANGE 1999-2005		1999	2005	CHANGE 1999-2005	
Cuyahoga (Cleveland)	968,263	921,555	-46,708	-4.8%	134,720	89,295	-45,425	-33.7%
Franklin (Columbus)	836,762	841,578	4,816	+0.6%	63,674	45,047	-18,627	-29.3%
Montgomery (Dayton)	359,521	340,593	-18,928	-5.3%	66,707	41,250	-25,457	-38.2%
Lawrence (Ironton)	18,924	19,080	156	+0.8%	1,731	683	-1,048	-60.5%
Allen (Lima)	71,860	70,655	-1,205	-1.7%	12,606	11,126	-1,480	-11.7%
Clark (Springfield)	72,000	67,225	-4,775	-6.6%	14,165	8,532	-5,633	-39.8%
Lucas (Toledo)	288,313	280,838	-7,475	-2.6%	36,158	27,290	-8,868	-24.5%
Muskingum (Zanesville)	48,793	47,297	-1,496	-3.1%	9,715	6,087	-3,628	-37.3%
Ohio	6,746,632	6,794,042	47,410	+0.7%	1,113,315	837,501	-275,814	-24.8%

Source: Ohio Department of Development, Office of Strategic Research. (June 2007). *Ohio County Indicators*

Population loss

Employment changes are reflected in city population change, as the working age population and their families move to where job opportunities exist. When the number of people and households in a community decreases, there will be more unoccupied units. From 1970 to 2000, each study city, with the exception of Columbus, had a population loss ranging from about one-fifth to one-third of their 1970 population (Table 2-2). During this period, the Columbus "older city" lost 30% of its population. Population estimates show that, from 2000 to 2006, five study cities experienced additional

population loss. Columbus and Ironton had modest population increases during this period, similar to the percent increase of the total Ohio population.

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Table 2-2. Population Trends, Study Cities and Ohio, 1970-2006

	1970	2000	% CHANGE 1970-2000	2006 ESTIMATE	% CHANGE 2000-2006
Cleveland	751,046	478,403	-36.3%	444,313	-7.1%
Columbus	539,377	711,470	+31.9%	733,203	+3.1%
• older city (1)	349,299	243,832	-30.2%	NA	
Dayton	243,459	166,179	-31.7%	156,771	-5.7%
Ironton	14,897	11,211	-24.7%	11,416	+1.8%
Lima	53,482	40,081	-25.1%	38,219	-4.6%
Springfield	81,850	65,358	-20.1%	62,844	-3.8%
Toledo	384,015	313,619	-18.3%	298,446	-4.8%
Zanesville	NA	25,586		25,361	-0.9%
Ohio	10,652,017	11,353,140	+6.6%	11,478,006	+1.1%

Sources: U.S. Decennial Census and Ohio Department of Development, Office of Strategic Research. (June 2007). *2006 Population Estimates for Cities, Villages & Townships* (1) The “older city” is the area within the Columbus 1950 corporate boundaries, with the characteristics of a typical urban central city

Housing stock characteristics

Older housing stock

The age of a building may be an asset if it has historic character, but if a structure is not maintained and updated, age can be related to physical deterioration and property obsolescence. In all of the study cities, except Columbus, at least one-third of all housing units were built before 1940 (Table 2-3). In Zanesville, over 40% of all housing was built before 1940, and in Cleveland, nearly half of all units fall into this age group. In Columbus, only about 14% of all housing units were built before 1940, in part due to an aggressive annexation policy during the 1960’s and 1970’s; however, within the “older city,” nearly three-quarters of all units were built before 1940.

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Table 2-3. Age of Housing Stock, Study Cities 2000

	BUILT BEFORE 1940	BUILT 1940-1979	BUILT 1980 AND AFTER
Cleveland	49.3%	46.4%	4.4%
Columbus	14.1%	52.9%	33.1%
• older city (1)	72.7%	20.7%	6.6%
Dayton	34.1%	60.5%	5.4%
Ironton	36.6%	56.2%	7.2%
Lima	34.4%	56.4%	9.2%
Springfield	36.8%	54.2%	9.1%
Toledo	32.7%	57.9%	9.5%
Zanesville	41.3%	48.9%	9.8%
Ohio	22.5%	54.7%	22.8%

Sources: U.S. Census Bureau, Census 2000 Summary File 3 (1) The “older city” is the area within the Columbus 1950 corporate boundaries, with the characteristics of a typical urban central city

Multi-unit housing structures

Typically rental properties and multi-unit structures have higher vacancy rates than owner-occupied units and single-unit structures. In 2000, residential structures with 2 or more units represented 24.1% of all structures in Ohio, but 42.2% of all vacant housing structures (Census 2000). Among the study cities, Cleveland has by far the largest percentage of housing structures with 2+ units, followed by Springfield and Dayton (Table 2-4).

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Table 2-4. Residential Property Types, 2006, Study Cities

	TOTAL PROPERTIES	SINGLE- FAMILY UNITS	2 TO 3-UNITS	4+ UNITS	OTHER
Cleveland	124,920	68.5%	26.8%	2.9%	1.8%
Columbus	181,444	89.6%	6.7%	3.3%	0.3%
Dayton	51,541	87.2%	8.3%	3.5%	1.0%
Ironton	4,233	93.6%	4.8%	1.1%	0.4%
Lima	12,735	90.0%	7.6%	2.3%	0.1%
Springfield	21,628	81.1%	11.9%	1.9%	5.2%
Toledo	96,688	90.2%	6.8%	1.9%	1.1%
Zanesville	8,887	90.2%	6.5%	1.8%	1.5%

Sources: County Auditor data, 2006 Notes: "Other" includes residential condominium buildings, commercial-residential mixed use properties, etc. Springfield appears to assign parcel identifiers to condominium properties in a way that differs from other cities in this study, accounting for the relatively high count of "other" housing types.

Property tax delinquency

Tax delinquency can be an indicator of an owner who does not have the resources to maintain a property or who has chosen to walk away from the financial obligation for the property. In 2005, all study cities, with the exception of Columbus, had at least \$128 in delinquent taxes for every \$1,000 of taxes levied and delinquency rates of about two to three times that for all Ohio cities (Table 2-5).

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Table 2-5. Delinquent Real Property Taxes, 2005, Study Cities and All Ohio Cities

	DELINQUENT TAXES ON ALL REAL PROPERTY(1) (in dollars)	
	TOTAL DELINQUENCY (2)	DELINQUENCY PER \$1,000 OF 2005 TAXES CHARGED
Cleveland	\$99,867,606	\$166.3
Columbus	\$40,002,605	\$46.2
Dayton	\$33,999,115	\$267.0
Ironton	\$615,713	\$156.3
Lima	\$2,170,259	\$128.3
Springfield	\$6,392,479	\$150.9
Toledo	\$32,612,447	\$136.7
Zanesville	\$2,206,333	\$149.4
All Ohio Cities	\$574,842,229	\$73.7

Source: Ohio Department of Taxation

(1) Real property includes residential, non-residential, and public utility personal property

(2) Includes taxes that became delinquent in preceding years that were still unpaid in 2005

Foreclosure and subprime lending

Foreclosure is a major contributor to vacancy. During the course of undertaking this research, foreclosure emerged as a major issue in Ohio and the nation. The Ohio Foreclosure Prevention Task Force report (September 2007) noted, “With few exceptions, every county recorded an increase in foreclosure filings from 2005-2006, reaching the highest level statewide in 13 years.”

Much of this wave of foreclosures has been attributed to property flipping, predatory loans, subprime adjustable rate mortgages, and fraudulent mortgage schemes. Cuyahoga and Montgomery counties had the highest rates of foreclosures among the study cities (Table 2-6). The percentage of subprime home purchase loans was highest in Muskingum and Cuyahoga counties. In all counties, at least one in five refinance loans in 2006 was made through a subprime lender (Table 2-7).

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Table 2-6. New Foreclosure Filings by County, 2006

	2006 FILINGS	2006 POPULATION PER FILING	2006 OHIO COUNTY RANK	1995 FILINGS	FILINGS INCREASE 1995-2006
Cuyahoga (Cleveland)	13,610	96.6	1 st	3,345	307%
Franklin (Columbus)	8,875	123.5	5 th	1,459	508%
Montgomery (Dayton)	5,076	106.8	2 nd	949	435%
Lawrence (Ironton)	206	306.7	78 th	42	390%
Allen (Lima)	647	163.5	27 th	164	295%
Clark (Springfield)	1,113	127.5	6 th	144	673%
Lucas (Toledo)	3,618	123.1	4 th	1,165	211%
Muskingum (Zanesville)	501	171.9	29 th	78	542%
Ohio	79,072	145.2		15,975	395%

Source: *Foreclosure Growth in Ohio 2007*, Policy Matters Ohio; Primary data is from the Ohio Supreme Court, as reported by the Court of Common Pleas.

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Table 2-7. Mortgages through Subprime Lenders by County, 2006

	SUBPRIME HOME PURCHASE LOANS		SUBPRIME REFINANCE LOANS	
	Number of loans	% of all home purchase loans	Number of loans	% of all refinance loans
Cuyahoga (Cleveland)	5,893	25%	6,339	27%
Franklin (Columbus)	3,841	16%	5,011	24%
Montgomery (Dayton)	1,771	19%	2,373	25%
Lawrence (Ironton)	53	8%	197	22%
Allen (Lima)	218	14%	360	19%
Clark (Springfield)	377	17%	657	26%
Lucas (Toledo)	866	11%	1,983	23%
Muskingum (Zanesville)	195	31%	367	32%
Ohio	31,119	16%	48,409	23%

Source: HMDA 2005, U.S. Department of Housing and Urban Development, from The Urban Institute

Note: “Subprime lenders” are those that HUD has identified as specializing in subprime mortgage lending, but who may also do prime lending. While it is not possible to determine from HMDA whether an individual loan is subprime, this indicator can be used to approximate the level of subprime lending.

2.02. Counting and Addressing Vacant and Abandoned Properties

The research identified over 25,000 vacant and abandoned residential buildings and vacant and abandoned lots in the eight study cities. This section of the report includes incidence figures for each city, and describes the usefulness and limitations of various data sources and local government procedures for counting vacant properties. The analysis suggests that, in cities that do not conduct citywide inventories of vacant and abandoned properties, the actual incidence figure may be from 2-6 times the estimate. This section also describes how tracking of vacancies by cities goes hand-in-hand with programs and systems to prevent and address vacant and abandoned properties.

Incidence of vacant and abandoned properties across cities

Vacant and abandoned buildings

There were an estimated 15,499 vacant and abandoned residential buildings in the study cities. This ranges from 48 in Ironton to over 7,000 in Cleveland (Table 2-8).

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Table 2-8. Estimates of Vacant and Abandoned Residential Buildings, Study Cities (1)

	VACANT RESIDENTIAL BUILDINGS	% OF ALL RESIDENTIAL BUILDINGS	ESTIMATION METHOD/ DATA SOURCE
Cleveland	7,014	5.6%	2006-07 reports to the city by Community Development Corporations
<i>Detroit Shoreway</i>	199	5.1%	
<i>Mount Pleasant</i>	487	8.4%	
<i>Slavic Village</i>	855	10.9%	
Columbus	3,875	2.1%	2006 citywide code enforcement sweep and code enforcement activities
<i>Franklinton</i>	383	14.0%	
<i>Livingston-Driving Park</i>	359	9.5%	
<i>North Linden</i>	349	3.6%	
Dayton	3,439	6.7%	2007 citywide code enforcement sweep
Ironton	48	1.1%	Code enforcement activities
Lima	467	3.7%	Code enforcement activities
Springfield	126	0.6%	Code enforcement activities
Toledo (2)	413	0.4%	Code enforcement activities
Zanesville	117	1.3%	2002-04 citywide inspections and code enforcement activities

- (1) Source of data includes inventories provided by cities and CRP calculations based on data provided by city agencies. The introduction and city assessments detail the methodologies used to calculate the incidence of vacant and abandoned buildings in each study city. Counts for some cities include a small number of mixed-use or non-residential buildings.
- (2) Toledo vacant buildings count is based on preliminary data. Sufficient information was not available within the research timeframe to complete the in-depth incidence analysis undertaken for the other cities.

Vacant and abandoned lots

There were an estimated 9,908 vacant and abandoned lots in the study cities, ranging from 483 in Ironton to over 5,000 in Cleveland (Table 2-9). In most cases, the vacant lot inventory was compiled using city data on properties without structures that are, or have

been, privately owned and for which the city has assumed responsibility for mowing and maintaining.

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Table 2-9. Estimates of Vacant and Abandoned Lots, Study Cities (1)

	TOTAL VACANT LOTS	ESTIMATION METHOD/ DATA SOURCE
Cleveland	5,367	Cleveland Land Bank property inventory
<i>Detroit Shoreway</i>	99	
<i>Mount Pleasant</i>	122	
<i>Slavic Village</i>	160	
Columbus	993	Columbus Code Enforcement, lots without structures mowed and maintained by the city, combined with Columbus Land Bank data
<i>Franklinton</i>	57	
<i>Livingston-Driving Park</i>	82	
<i>North Linden</i>	17	
Dayton	1,996	Dayton Vacant Land Management Office, lots without structures mowed and maintained by the city
Ironton	83	Lawrence County Auditor data
Lima	263	Lima Department of Community Development, Specified Parcels Program
Springfield	206	Springfield Code Enforcement Division, lots mowed and maintained by the city
Toledo (2)	877	Toledo Division of Code Enforcement, lots mowed and maintained by the city
Zanesville	123	Zanesville Litter Prevention and Recycling Enforcement Division, lots without structures mowed and maintained by the city

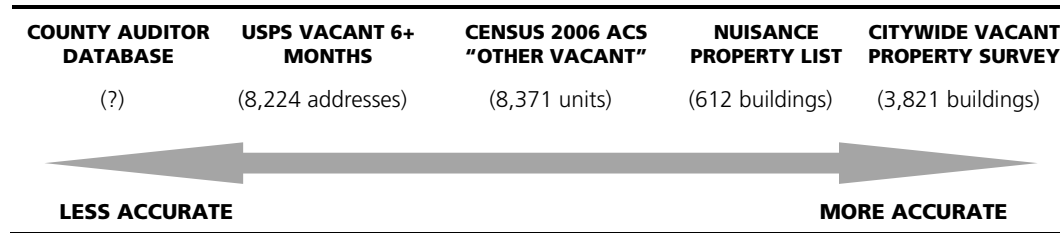
- (1) Estimates prepared by CRP, using data provided by city agencies. The introduction (Section 1) and city assessments (Sections 4 and 5) detail the methodologies used to calculate the incidence of vacant and abandoned lots in each study city.
- (2) Toledo vacant lots count is based on preliminary data. Sufficient information was not available within the research timeframe to complete the in-depth incidence analysis undertaken for the other cities.

Comparing vacant property data sources

It would have been ideal to find a source that provided consistent data for all cities in the study, or that could augment locally collected data; however, such a source does not exist. Ultimately, in order to collect data that best matched the research definition of vacant and abandoned properties, CRP relied on data from city agencies. The most precise measurement came from cities that had undertaken citywide inventories or “sweeps” of vacant and abandoned properties (Dayton, Columbus, Zanesville). Cleveland provided data collected by the city from surveys conducted by 27 neighborhood CDCs. In the other cities, the figures came from various code enforcement lists of nuisance properties.

Figure 2-1, which compares the number of buildings on the City of Dayton nuisance property list with the data from the citywide survey, illustrates the potential magnitude of the undercount in cities that rely only on code enforcement data to count vacant and abandoned properties. It also demonstrates the extent to which national datasets from the Census or U.S. Postal Service, which measure vacant housing units or addresses, may overstate the number of vacant and abandoned properties in a community.

Figure 2-1. Range and Accuracy of Vacant Property Data Sources, Dayton



Note: USPS, nuisance property list, and citywide property survey include residential and nonresidential properties; Census data includes residential property only

Because these data sources define and measure vacancy in different ways, they produce a wide range of vacancy counts. The following sections provide an analysis of these sources as a tool for measuring the incidence of vacant and abandoned properties.

National datasets

U.S. Census Bureau data: vacant housing units

A common source of secondary data on the magnitude and location of vacancies in communities is the Census Bureau's decennial census and the American Community Survey (ACS). The Census categorizes vacant properties according to the reason for vacancy, such as being for sale, rent, or seasonal use. Units not in one of these categories are in the "other vacant" group. For this study, it is assumed that vacant and abandoned housing is captured within this vacancy category (Table 2-10); however, there is no way to know exactly how many "other vacant" units are also abandoned.

Census "other vacant" units far outnumber (by a magnitude of up to 3 times) the incidence of vacant and abandoned properties found in the study cities. This is due in large part to differing units of analysis—this research counts vacant *buildings*, while the Census reports vacant *housing units* (i.e. a three-unit building is considered one vacant property for this study and three vacant units by the Census).

However, Census data can be a useful indicator of broad vacancy trends, particularly for cities that do not conduct regular citywide vacant property inventories. Currently, annual ACS data are available only for communities with a population of 65,000 or over; however, in 2008 the ACS will report data for areas of 20,000 or more. A comparison of Census 2000 data with the 2006 ACS (Table 2-9) for Cleveland, Columbus, Dayton, and Toledo show large increases in both the total number of vacant units—an indicator of weakening in the local housing market—as well as in the number of units in the "other vacant" category—an indicator of potentially vacant and abandoned properties.

It is important to note, however, that the ACS reports data from a sample survey, with a fairly large margin of error (+/-2,327 for 2006 Cleveland "other vacant" units). Another limitation of ACS data is that it is currently only reported for jurisdictions (city, county, state), and is not available at the census tract level. As a result, it cannot be used to assess geographic or neighborhood patterns of housing vacancy within cities.

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Table 2-10. U.S. Census, Vacant Housing Units, 2000 and 2006

	CENSUS 2000					2006 ACS	
	HOUSING UNITS	TOTAL VACANT		OTHER VACANT		TOTAL VACANT	OTHER VACANT
Cleveland	215,856	25,218	11.7%	8,288	3.8%	45,520	22,769
Columbus	327,175	25,641	7.8%	5,411	1.7%	53,299	12,630
Dayton	77,321	9,912	12.8%	3,246	4.2%	15,964	8,371
Ironton	5,507	601	10.9%	305	5.5%	NA	NA
Lima	17,631	2,221	12.6%	717	4.1%	NA	NA
Springfield	29,309	3,055	10.4%	996	3.4%	NA	NA
Toledo	139,880	10,965	7.8%	2,520	1.8%	19,324	5,141
Zanesville	11,662	1,090	9.3%	380	3.3%	NA	NA

Source: U.S. Census Bureau: Census 2000 Summary File 1; 2006 American Community Survey

U.S. Postal Service data: vacant addresses

The recently-introduced United States Postal Service (USPS) Vacant Address dataset, available to the public through the Department of Housing and Urban Development (HUD), provides another source of housing vacancy indicator data (Table 2-11). The advantages of the USPS dataset are that it is consistently collected by mail carriers who are very familiar with their routes, is available to the public quarterly, and provides an indication of how long an address is vacant. The limitations of this dataset are that it is available only at the census tract or carrier route level, does not distinguish between commercial and residential properties, and is difficult to interpret, given that a single property, depending on its use, may have many addresses.

The limitations of the USPS data for the purposes of this study were confirmed by comparing USPS address vacancy data to tract summaries of known vacant properties in Dayton and Columbus. No consistent ratio of known vacant properties to USPS vacant, vacant 6+ months, or “no-stat” addresses was apparent at the tract level in either city.

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Table 2-11. U.S. Postal Service Address Vacancies, Quarter 1, 2007

	TOTAL ADDRESSES	TOTAL VACANT		VACANT 6+ MONTHS		NO-STAT ADDRESS	
Cleveland	239,006	24,958	10.4%	20,349	8.5%	12,568	5.3%
Columbus	366,270	17,228	4.7%	10,461	2.9%	11,584	3.2%
Dayton	99,900	11,283	11.3%	8,224	8.2%	2,933	2.9%
Ironton	6,200	110	1.8%	93	1.5%	355	5.7%
Lima	20,553	1,957	9.5%	1,561	7.6%	498	2.4%
Springfield	32,280	1,861	5.8%	1,536	4.8%	1,151	3.6%
Toledo	158,254	12,065	7.6%	8,284	5.2%	3,474	2.2%
Zanesville	8,644	534	6.2%	326	3.8%	97	1.1%

Source: HUD (www.huduser.org/DATASETS/usps.html)

Notes: **Total Addresses** – All addresses, residential and commercial, that the USPS has recorded in its database. **Total Vacant** –Addresses that delivery staff on urban routes has identified as being vacant (not collecting mail for 90 days or longer). **Vacant 6+ Months** is a subset of Total Vacant. **No-Stat Addresses** –A subset of Total Vacant that includes: 1) addresses in urban areas identified by a carrier as not likely to be active for some time; 2) rural route addresses vacant for 90 days or longer; and 3) addresses for businesses or homes under construction and not yet occupied. Selected tracts do not perfectly align with municipal boundaries.

County Auditor data

In Ohio, the County Auditor establishes the real property value and calculates the property tax for every parcel of real estate within a county. In recent years, most auditors have used GIS mapping to develop an online data system that includes the physical characteristics, ownership, and tax status of all lots and structures in a county.

Franklin County and Montgomery County auditor databases were analyzed to determine if there were data elements that correlated with known vacant and abandoned properties in Columbus and Dayton. If this were the case, auditor data could be used to determine both the incidence and location of vacancies in other communities.

Two characteristics commonly thought to be correlated with vacant and abandoned properties are physical obsolescence of the structure and financial distress of the owner. Data elements in the auditor data that might indicate physical obsolescence are age, size, condition, and value of the property. Data elements related to financial distress include tax delinquency status and filings of mortgage foreclosure.

However, no indicators were found that identified the bulk (here, 75%) of known vacant properties, while also excluding the bulk (here, 90%) of occupied properties. Using Dayton in illustration, according to the Montgomery County tax roll, 81% of the known vacant properties in the city were built before 1940. However, this characteristic also applied to 55% of occupied properties. Likewise, 72% of known vacant properties had a total assessed value of less than \$20,000; however, so did 37% of occupied properties. Tax delinquency status, originally thought to be strongly correlated with vacancy, was an ineffective variable in that fewer than one-third of the known vacant properties were tax delinquent.

In both Dayton and Columbus, characteristics intuitively related to property obsolescence or owner distress did occur with greater frequency among the known vacant properties than among the remainder of the housing stock. However, no single characteristic or combination thereof was found to an adequate proxy for abandonment.

Another purpose of analyzing county auditor data would be to develop an early warning system for properties at risk of becoming abandoned. Two initiatives in Cleveland are doing exactly that. A collaboration of stakeholders, including Neighborhood Progress, Inc. and the Center on Urban Poverty and Community Development at Case Western Reserve, is identifying and intervening in the risk of mortgage foreclosure at the household level. This project couples the data infrastructure (including extensive auditor data) of NEO CANDO with the community organizing capacity of NPI and affiliates.

Meanwhile, the Center for Housing Research and Policy in the Maxine Goodman Levin College of Urban Affairs at Cleveland State University is exploring the utility of local and national administrative dataset in assessing the likelihood of individual property vacancy.

City data

Although CRP's research methodology was designed around a specific definition of "vacant and abandoned" properties (see Section 1.02), it was assumed from the outset that the count of vacant and abandoned properties for the study would have to be based on data collected by cities for other purposes (e.g. nuisance complaints, code enforcement, boardings, demolitions). These data are not collected by cities for research, but as part of city programs to prevent and address problems with property conditions. Even in cities that compile citywide inventories, their purpose is to develop strategies

that target staff and financial resources to reduce nuisance properties and improve neighborhoods. This section describes the benefits and limitations of a variety of types of local government administrative records as vacant property data collection methods.

Code enforcement sweep

Among the study cities, Dayton and Columbus have recently carried out a comprehensive code enforcement sweep to identify vacant properties. Zanesville's inventory includes data from citywide inspections of all properties conducted from 2002 to 2004. This type of citywide evaluation is most commonly an external, visual assessment ("windshield survey") conducted by driving every street of the community. The quality of the inventory resulting from a citywide sweep depends upon the design of the data collection instrument, the experience of those implementing it, and the priority of the endeavor by the city administration or pertinent department.

Because this approach canvasses the entire municipality, and is conducted by professionals who know the neighborhoods and the law, a comprehensive code enforcement sweep appears to be the best estimation of current vacancy in a community.

However, this approach is not without its limitations. First, it is highly resource intensive. In Dayton, for example, the citywide sweep typically requires the effort of every housing inspector on staff (in 2006 there were 23) working in the field for about three months. Many cities do not have the staff or funding to undertake such an effort. Additionally, a windshield survey may overlook vacant properties that are in reasonable shape externally, but are uninhabitable due to interior problems. If all windows and doors are intact, overgrowth of vegetation may be the only sign of functional abandonment. If a vacant building is being held in speculation, the financial interest may conduct minimal external maintenance and mowing to mask cues that the building is unfit for habitation.

Community-based reporting

Another method for inventorying vacant and abandoned properties is to enlist the assistance of community organizations. The city of Cleveland has 37 neighborhood planning areas, each with its own community development corporation (CDC). The city has begun a program whereby CDCs submit a quarterly list of vacant properties in their neighborhood, including an indication of whether the structure is appropriate for demolition, a candidate for redevelopment, or otherwise significant.

Community-based reporting has merit in that it distributes the burden of citywide vacant property identification across many organizations that are both present in the neighborhoods and have a vested interest in carrying out the task. However, the size of certain neighborhoods and the dynamic nature of the vacancy problem can make a regular inventory of the type implemented in Cleveland a difficult task for CDCs. Funding or other incentives may be necessary for diligent participation in an ongoing community-based reporting program.

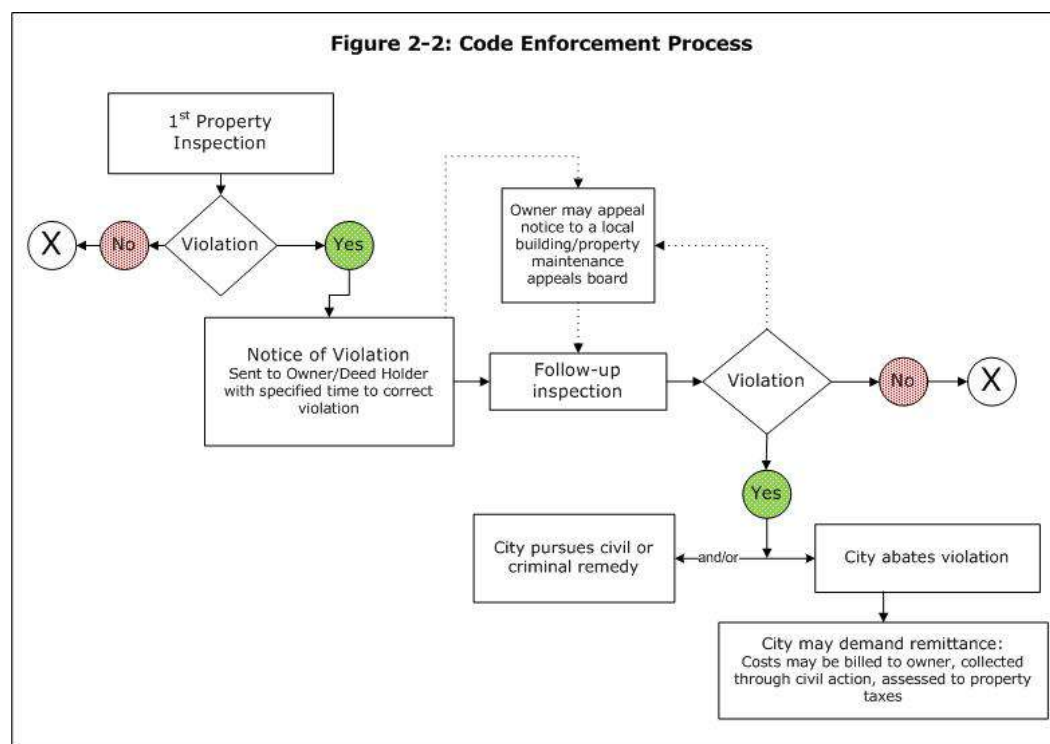
As with a code enforcement sweep of vacant properties, there will be variation among users of the survey instrument in the way they interpret the prescribed criteria for coding vacant and abandoned properties. A decentralized method, such as the Cleveland program, is particularly susceptible to this. However, in the case of Cleveland, there is both an acknowledgement that inconsistencies will be present from neighborhood to neighborhood and a conscious effort to design a survey instrument that is only as sophisticated as necessary to acquire data for programmatic decisions.

Code enforcement activities

Even those cities that conduct periodic citywide vacant property inventories augment them with ongoing, routine code enforcement data. These data are collected by city code enforcement staff, whose job it is to assure that properties are in compliance with city land use, building, property maintenance, health, and safety codes. The data collected by code enforcement staff typically track violations and the status of compliance related to specific parcels, lot numbers, or addresses.

Each city adopts local codes and procedures, and the code enforcement process may vary somewhat from city to city, but typically the process includes the general steps shown in Figure 2-2. Staff activities may include conducting inspections, issuing orders to repair a structure or abate a specific code violation, issuing building permits, making referrals to city law departments for legal action or follow-up, or issuing condemnation or demolition orders.

These actions, however, are not necessarily linear or sequential and do not always follow a predictable timeline. Property owners may never respond, may never be identified, or may be deceased. Responsive owners may seek extensions for compliance, or may begin repairs, but not complete them. In some situations, the city may take abatement action (e.g. board or demolish a property, cut grass, or remove debris) without waiting for a property owner to respond to a notice of violation.



Given these realities, CRP identified specific code enforcement activities that were most helpful in estimating the potential inventory of vacant and abandoned structures in cities that do not compile citywide inventories. These include city-initiated boarding of windows and doors, slating a property for demolition, and the issuance of emergency condemnation or public nuisance orders. The following, and Table 2-12, describe how code enforcement records associated with these activities might be used to identify vacant

and abandoned properties, as well as limitations to using these data. Not all cities maintain the following as separate datasets. For example, a nuisance list may include data from all categories, while an emergency orders list may include only properties that are boarded or slated for demolition.

- **Boardings.** A boarded house is usually a clear indicator of a vacant house. However, a city's code enforcement office may have only a partial record of what has been boarded, because some property boarding is undertaken by private parties. Lending institutions may hire property management and securing companies (Safeguard and Fidelity are two of the most active in Ohio) to board their real estate owned (REO) properties, typically resulting from foreclosure. The share of all property boarding that is done by the government also varies by city. In Lima, the city boarded 145 properties in 2006, while private owners boarded an additional 77 buildings. The city of Ironton, however, does not expend any public funds to board private properties.

Datasets that indicate the current status of a boarded property are more useful in determining the number of vacant and abandoned properties than those that indicate the date that a boarding occurred. For example, a high percentage of the addresses boarded over the past six months could reasonably be presumed to be "still boarded," but that assumption may not be as accurate for those boarded last year or over the past three years. Unless code enforcement staff has a protocol to recheck properties boarded by the city, and record the status accordingly, the correlation between the municipal boarding list and property vacancy degrades over time.

- **Pending demolitions.** A pending demolition list should be the subset of vacant properties in the worst condition. However, the number of properties on the list may more accurately reflect the city's annual demolition budget—often based on the availability of federal Community Development Block Grant funds—than the extent of the vacancy problem. A pending demolition list, similar to a boarding list, may not capture structures that will be demolished using private funds.
- **Emergency orders/condemnation orders.** Emergency orders are issued to protect the public health and safety, or the health and safety of a person occupying a structure. Typically, such orders require a property owner to comply immediately. Repeat noncompliance may lead to the building being condemned and to the city opting to abate the violation or demolish the building. Because emergency orders have compliance deadlines, code enforcement data is likely to include an indication of the current status of the property (i.e., whether the problem persists or the violation has been resolved). However, some properties that fall under this category may not be vacant, and emergency orders may not necessarily be accompanied by orders to vacate a property. Owners or tenants may still occupy, legally or illegally, properties that have received emergency repair orders or condemnation notices.
- **Nuisance properties.** A nuisance property list may differ in meaning from city to city. It may contain both land and buildings. It may include all structures with multiple unresolved violations or it may only include those properties nearing condemnation status. If city departments other than code enforcement are also involved in maintaining the list, some properties may be classified as a nuisance due to repeated police runs, tax delinquency, or yard overgrowth and refuse.

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Table 2-12. Use of Data on Code Enforcement Activity to Determine Vacancy

DATA SET	DESCRIPTION	CAVEATS
Boardings	Identifies structures that have been vacant for some period of time and that have had windows and doors boarded to protect public safety and prevent vandalism	<ul style="list-style-type: none"> • May only include structures boarded by the city and not those boarded by private parties • May not reflect current status of the property (e.g. repairs or improvements made, demolition) • A property may be boarded multiple times • There may be duplication with properties on other lists (demolition, emergency notice)
Pending Demolitions	Identifies structures in the worst condition that are scheduled for demolition by the city	<ul style="list-style-type: none"> • May only reflect properties that the city has the resources to demolish, rather than the entire inventory of properties in the worst condition • May only include demolition to be funded by the city and not those funded by private parties • There may be duplication with properties on other lists (boarding, emergency notice)
Emergency Orders/ Condemnation Orders	Identifies structures that are an immediate threat to the public's or an individual's health and safety; noncompliance may lead to a building being condemned and ultimately demolished	<ul style="list-style-type: none"> • May include properties that are not vacant • There may be duplication with properties on other lists (boarding, demolition)
Nuisance Properties	Identifies structures that have been identified, through city inspection/ records or citizen complaints as having city code violations	<ul style="list-style-type: none"> • "Nuisance" definition varies from city to city; may be the overarching list, that includes boardings, emergency orders, and pending demolitions • May include properties that are not vacant • A property may have multiple violations • May include both vacant structures and vacant lots • May not reflect current status of the property (e.g. violations corrected or demolition) • Properties may be on the list for violations not related to the condition of the structure (crime, weeds, trash, tax arrearage)

Utility data

During the research design phase, utility data (water and sewer service) from local governments was conceived as a potential means of identifying vacated properties. Data related to the discontinuation of utility service or extremely low usage rates, when reliable, are indicators of an unoccupied building. However, as noted in Section 1.02, CRP found that it was not feasible to access and use these data for the study. Barriers included lack of interface with code enforcement or property databases, utility records without addresses, and the inability to correlate shut-off dates with vacancy dates.

In some cities, however, data on utility shutoffs, and the reasons for shutoffs, may be a useful dataset for identifying vacancies. Utility data can also flag properties that are vacant but otherwise physically and financially maintained (i.e. properties for sale or being held in speculation). Utility data potentially represents an ongoing, frequently updated, and reliable source of data on the status of properties in a community, particularly if usage metrics are collected in an automated fashion.

The aforementioned foreclosure prevention initiative of Neighborhood Progress, Inc. and the Poverty Center at Case Western Reserve University has incorporated information on water shutoffs and low usage into the data model for identifying properties at risk of mortgage foreclosure. This data bolsters other property data available through NEO CANDO –the Poverty Center’s information system. If data reveal a situation in which there is a loan from a subprime lender or a foreclosure filing, but water service has not yet been turned off, the local community development corporation can be alerted and may have be able to intervene toward keeping the homeowner in place. Challenges that have been encountered in working with water data include: an incongruous link between water account numbers and auditor property identifiers, as well as uncertainty in determining a threshold for “low usage” (for example, the threshold of 0.5 MCFs per quarter has presented too many false positives).

Vacant property registration

Although not a source of data for this study, the research identified a number of cities across the country, including Chicago, Saint Paul, Wilmington, Delaware, Sioux Falls, South Dakota, and Chula Vista, California, that have vacant property registration and licensing programs¹. In Ohio, Cincinnati has over 10 years of experience administering vacant property registration. A registration program codifies that owners of vacant properties must identify themselves. These programs vary in what must be registered—all vacant properties, only boarded properties, only properties ordered to be vacated with violations—as well as in the licensing fees and other owner requirements.

A vacant property registration program can serve many ends:

- Create a municipal database of vacant properties
- Reimburse the city for vacant property-related costs
- Ensure that a building has adequate liability coverage
- Increase the likelihood a structure will be preserved until it is rehabbed
- Increase the carrying costs so that re-occupancy might be expedited

For such a program to succeed there must be significant penalties for failure to register. The licensing fee structure must be defensible—not unreasonably onerous upon individual owners, but reflective of additional costs borne by the city to address vacant properties. Some programs will waive fees if the property is repaired and reoccupied within a satisfactory period, and most programs have a schedule of escalating fees the longer a property remains vacant. The use of fees collected through a registration program may be limited by state statute. In Cincinnati, these fees help to fund the city’s hazard abatement program through which demolitions are accomplished. However, because of the high cost to cities of addressing vacant properties, registration and licensing programs have not proved to be money-makers for municipalities.

¹ Source: 2007 National Vacant Properties Campaign Conference, September 24-25, 2007, Pittsburgh, Pennsylvania, *Model Vacant Building Licensing and Registration Programs: What Works and What Doesn’t*, Doug Leeper of Chula Vista, California, and Ed Cunningham, Stephanie Moes, and Matt Strauss, City of Cincinnati.

2.03. The Costs of Vacant and Abandoned Properties

Vacant and abandoned properties impose costs on city government, neighborhoods, and residents. City governments bear the costs of municipal services—code enforcement, boarding, demolition, maintenance, and police and fire—associated with addressing vacant property. Cities also feel the impact of lost tax revenue from these properties. Research in Chicago found that municipal costs related to vacant properties (not including tax loss) ranged from \$430 for a vacant and secured property, to \$34,199 for an abandoned property damaged by fire (Apgar and Duda, 2005).

Property owners in impacted neighborhoods bear the costs of a weakened housing market and decreased property values. A Philadelphia study found that properties located within 150 feet of a vacant and abandoned property sold for \$7,627 less than those more than 450 feet from a vacancy (Temple University Center for Public Policy, 2001). In reality, however, the costs of vacant and abandoned properties are felt by all residents of the community. As tax revenues shrink and a larger share of the overall city budget is devoted to addressing these properties, fewer resources are available for all city services.

In this report, the financial impact of vacant and abandoned properties is presented in several ways: 1) the costs of municipal code enforcement, boarding, demolition, maintenance, and police and fire services to address vacant buildings and lots; 2) lost tax revenue attributed to vacant properties; and 3) the assessed values and sales prices of occupied properties in three neighborhoods in Cleveland and Columbus with large numbers of vacancies.

Direct costs to local governments

Code enforcement and maintenance

The study cities provided data on costs incurred for code enforcement activities to address and maintain vacant and abandoned properties (Table 2-13). The methodology for calculating costs varied from city to city, particularly with regard to determining staff costs. These costs—for which complete data were not available for some study cities—totaled over \$13 million in 2006.

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Table 2-13. Estimated Code Enforcement and Maintenance Costs to Address Vacant and Abandoned Properties, 2006

	STAFF (1)	DEMOLITION	BOARDING	GRASS AND TRASH	RECOUPED COSTS (2)	TOTAL OF AVAILABLE COSTS
Cleveland	(5)	\$1,234,666	NA	\$3,275,000	(5)	\$4,509,666
Columbus	(5)	\$124,098	\$72,601	\$515,182	(5)	\$711,881
Dayton	\$1,722,879	\$716,278	\$115,399	\$787,100	(\$167,000)	\$3,174,656
Ironton	\$10,333	\$22,185	\$0	\$6,560	\$0	\$39,078
Lima	\$171,000	\$130,849	\$19,851	\$138,350	(\$127,182)	\$332,868
Springfield	\$102,027	\$347,983	\$7,180	\$71,784	(\$17,399)	\$511,575
Toledo (3)	\$954,000	\$2,390,140	NA	\$723,985	(\$174,438)	\$3,893,687
Zanesville (4)	\$60,000	\$16,879	\$5,000	\$18,046	\$0	\$99,925
Total	\$3,027,310	\$4,983,078	\$220,031	\$5,536,007	(\$486,019)	\$13,273,336

Sources: CRP calculations, based on data provided by city agencies; see city assessments for descriptions of cost calculations

- (1) The annual cost of code enforcement/building inspection staff salaries, benefits, and related operating costs. Does not include legal and court costs. Methods of estimation vary by city. Most cities provided estimates that reflect the proportion of the operating budget spent specifically on addressing vacant and abandoned properties. In Toledo, costs reflect the entire budget of the code enforcement agency.
- (2) Costs recovered by the city through tax assessments, fines, and fees
- (3) Toledo municipal cost estimates are based on preliminary data. Sufficient information was not available within the research timeframe to complete the in-depth cost analysis undertaken for the other cities.
- (4) Zanesville provided a range of costs for some cost categories. The higher figure is used for the total. Grass and trash data is for grass mowing only.
- (5) Because the focus of the Cleveland and Columbus assessments were primarily on neighborhood financial impact, data on citywide code enforcement staff costs and recouped costs were not requested.

NA Data not provided by the city

Fire services

There were a total of 199 fires in residences that are currently vacant in the five cities for which data were available and the three Cleveland and Columbus neighborhoods (Table 2-14). Vacant residential buildings were involved in fires at rates disproportionate to (2-10 times) their percentage of all residential structures in the city or neighborhood. The total cost to cities for these fire incidents is estimated to be nearly \$1 million.

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Table 2-14. Residential Fire Incidents at Vacant and Abandoned Residences, January 2006-August 2007

	FIRES IN VACANT RESIDENCES (1)	VACANT RESIDENCE FIRES/ % OF ALL RESIDENTIAL FIRES	VACANT RESIDENCES/ % OF ALL RESIDENCES	ESTIMATED CITY COST OF VACANT RESIDENCE FIRES (4)
Cleveland neighborhoods (2)				
<i>Detroit Shoreway</i>	12	11.9%	5.1%	\$60,000
<i>Mount Pleasant</i>	14	16.5%	8.4%	\$70,000
<i>Slavic Village</i>	35	21.6%	10.9%	\$175,000
Columbus neighborhoods (2)				
<i>Franklinton</i>	18	30.0%	14.0%	\$90,000
<i>Livingston-Driving Park</i>	9	24.3%	9.5%	\$45,000
<i>North Linden</i>	10	27.8%	3.6%	\$50,000
Dayton (3)	57	13.8%	6.7%	\$285,000
Ironton	6	19.4%	1.1%	\$30,000
Lima	19	12.5%	3.7%	\$95,000
Springfield	9	6.3%	0.6%	\$45,000
Toledo	NA	NA	NA	NA
Zanesville	10	15.4%	1.3%	\$50,000
Total	199			\$995,000

Sources: Ohio Department of Commerce, Division of State Fire Marshal; CRP calculations

- (1) In unknown number of cases, a fire may have caused the property to become vacant and abandoned.
- (2) Fire incidents were calculated only for Cleveland and Columbus study neighborhoods, not for the city overall.
- (3) Dayton fire incident data January 1-December 31, 2006
- (4) Costs were estimated at \$5,000 per fire incident, based on 2005 data collected by the Cincinnati Department of Buildings and Inspections for the Vacant Buildings Maintenance License Code program. This assumes that one-third of fire runs are for larger fires and two-thirds are for smaller fires.

NA Could not be calculated with available data

Police services

Data on calls for police service to potential vacant and abandoned addresses were available for Dayton, Lima, Springfield, and Zanesville. Based on data provided by police departments and CRP calculations, it is estimated that in 2006, police officers responded to a total of nearly 3,700 calls to vacant and abandoned properties in these four cities, for a total cost of about \$64,000 for police officer salaries (Table 2-15).

The average number of calls per address ranged from 2.5 in Dayton to 5.5 in Zanesville. The most common types of calls related to breaking and entering, disturbance, and suspicious activity. The cost-per-call was calculated using the average hourly salary (not including benefits) of a police officer in each city. The average salary per officer, per call, ranged from \$12.50 to \$18.38. The estimated response time per call, from dispatch to resolution, ranged from 31 to 45 minutes.

Because no city police department documents whether a call for police service is to an occupied or a vacant property, it was not possible to verify whether, or how many of, the vacant property inventory addresses submitted to each police department were vacant on the date of the police call.

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Table 2-15. Police Service Calls to Vacant and Abandoned Residential Addresses, 2006 (5)

	VACANT ADDRESSES WITH POLICE CALLS (% OF TOTAL VACANT RESIDENCES)	TOTAL CALLS TO VACANT ADDRESSES	ESTIMATED PERSONNEL COST PER RESPONSE	ESTIMATED TOTAL PERSONNEL COST	MOST COMMON TYPE OF CALL
Dayton (1)	1,032 (30%)	2,557	\$18.38 (2)	\$46,998	Breaking and entering
Lima (1)	210 (45%)	651	\$14.35 (3)	\$9,342	Disturbance
Springfield	Data not provided	150	\$12.50 (3)	\$1,875	Suspicious activity
Zanesville	61 (52%)	336	\$16.96 (4)	\$5,699	Breaking and entering
Total		3,694		\$63,914	

Sources: City Police Departments; CRP calculations

(1) City figures derived from sample data; see individual city summary for detail

(2) Based on 1.5 officers responding per call

(3) Based on 1.0 officer responding per call

(4) Based on 1.6 officers responding per call

(5) Police data were not requested for Cleveland and Columbus, and were not available for Ironton.

Lost tax revenue

Cities directly lose tax revenue from vacant and abandoned properties in two ways: delinquent tax payments for vacant buildings and lots and lost tax value of a property when a structure is demolished. In 2006, this tax loss conservatively totaled nearly \$49 million for the seven study cities for which data were available. Tax loss from vacant and abandoned properties in the Cleveland and Columbus neighborhoods totaled over \$5 million (Table 2-16). The majority of tax loss is felt by local school districts, which are the recipients of about two-thirds of real property tax revenue statewide (Ohio Department of Taxation).

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Table 2-16. Tax Loss Due to Vacant and Abandoned Residential Properties, 2006

	VACANT AND ABANDONED BUILDING DELINQUENCY (1)	VACANT AND ABANDONED LOT DELINQUENCY (2)	PRIMARY STRUCTURE DEMOLITION	TOTAL TAX LOSS
Cleveland (3)	\$6,677,059	\$23,641,416	\$409,545	\$30,728,020
<i>Detroit Shoreway</i>	<i>\$161,139</i>	<i>\$436,095</i>	<i>\$32,450</i>	<i>\$629,684</i>
<i>Mount Pleasant</i>	<i>\$484,250</i>	<i>\$537,410</i>	<i>\$13,495</i>	<i>\$1,035,155</i>
<i>Slavic Village</i>	<i>\$821,584</i>	<i>\$704,800</i>	<i>\$35,715</i>	<i>\$1,562,099</i>
Columbus	\$6,718,430	\$720,609	\$63,385	\$7,502,424
<i>Franklinton</i>	<i>\$407,148</i>	<i>\$41,382</i>	<i>\$9,830</i>	<i>\$458,360</i>
<i>Livingston-Driving Park</i>	<i>\$647,084</i>	<i>\$59,532</i>	<i>\$6,116</i>	<i>\$712,732</i>
<i>North Linden</i>	<i>\$616,806</i>	<i>\$12,342</i>	<i>\$2,899</i>	<i>\$632,047</i>
Dayton (2)	\$2,985,642	\$5,688,225	\$89,535	\$8,763,402
Ironton	\$31,982	\$169,952	\$2,060	\$203,994
Lima	\$664,928	\$726,425	\$11,475	\$1,402,828
Springfield	\$56,215	\$475,785	\$46,864	\$578,864
Toledo	NA	NA	NA	NA
Zanesville	NA	NA	\$25,032	\$25,032
Total for study cities	\$17,134,256	\$31,422,412	\$647,896	\$49,204,564

Sources: County Auditor databases; CRP calculations

- (1) Some city inventories include a small number of commercial structures; tax loss comprises current (cumulative) tax loss, through 2006
- (2) The tax loss for vacant and abandoned lots without buildings was based on the average 2006 tax delinquency in the county auditor database for all tax delinquent vacant residential lots in the city, multiplied by the city's estimated number of vacant and abandoned lots; tax loss comprises current (cumulative) tax loss, through 2006.
- (3) For Cleveland, the percent delinquent vacant and abandoned buildings and the average delinquency amount in the three study neighborhoods was applied to the citywide inventory of vacant and abandoned residential buildings.

NA Could not be calculated with available data

Financial impact on neighborhoods

The research examined the patterns of vacant and abandoned properties and the values of occupied residences in three neighborhoods in Cleveland and Columbus. County Auditor data was analyzed to determine the assessed property tax values and sales prices of occupied homes based on their proximity to vacant and abandoned properties, and the change in value and price over two points in time. Two methods were used to identify patterns: 1) the straight line distance of an occupied home from a vacant property; and 2) the number of vacant properties on the same block face as an occupied property.

Tables 2-17, 2-18, and 2-19 present key findings from the analysis that examined the relationship between vacant properties and occupied properties, based on their straight-line distance from a vacant property. The patterns that emerged from this analysis were generally the same as those found in the “same block face” analysis; however, when the “same block face” analysis produced a different result, this is noted in the tables.

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Table 2-17. Cleveland and Columbus Overall Neighborhood Value and Price Patterns

	EXPECTED PATTERN Values and prices generally lower in closer proximity to vacancy	NO DISCERNABLE PATTERN Few differences in value and price based on proximity to vacancy	UNEXPECTED PATTERN Values and prices generally higher in closer proximity to vacancy	MIXED PATTERN Mix of patterns or no predominant pattern
Cleveland		Mount Pleasant	Slavic Village	Detroit Shoreway
Columbus	North Linden		Franklinton	Livingston-Driving Park

Sources: County Auditor databases; CRP calculations

Expected pattern of decrease with proximity to vacancy

Some data showed expected patterns, where assessed values and sales prices increased with distance from vacant properties. In the North Linden neighborhood in Columbus, the increase in median sales price between 1999-2000 and 2005-2006 for properties on a block with three or more vacancies was about half that for properties sold on a block with fewer or no vacant residences (11% increase; +\$6,250 vs. 21-24% increase; +\$15,000). In the Detroit Shoreway neighborhood in Cleveland, the change in assessed value from 2002 to 2006 for residences with three or more vacancies on the same block was less than that for properties on blocks with fewer or no vacancies (35% increase; +\$11,314 vs. 46-51% increase; +\$17,000).

No discernable pattern with widespread vacancy

In neighborhoods where vacancy is widespread there was sometimes little difference in assessed values and sales prices between groups of homes close to vacancies and properties located farther away. In the Mount Pleasant neighborhood in Cleveland, only about \$500-\$2,000 separated the housing values and sales prices across all groups, with no discernable pattern evident. Mount Pleasant, Detroit-Shoreway, and Livingston-Driving Park exhibited some “flattening” of the market over time, where price differences across the neighborhood housing market evident in the earlier years had diminished.

Unexpected pattern with evidence of property flipping

A counterintuitive pattern, where properties closest to vacancies had the greatest increases in value and price, emerged in a number of the neighborhoods. In neighborhoods where the pattern was most striking, as in Slavic Village in Cleveland and Franklinton in Columbus, it appears to be evidence of property flipping, unscrupulous

real estate practices, or both. Although the scope of CRP's research did not include an analysis of property flipping, Appendix C includes data on properties in the Cleveland and Columbus neighborhoods with more than one title transfer in a year. In Slavic Village, from 2004-2006, there were 223 of these transfers that had an increase in sales price of 100% or more.

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Table 2-18. Cleveland: Patterns of Proximity to Vacancy and Neighborhood Property Value

NEIGHBORHOOD	VACANCY CONCENTRATION, 2007			PATTERNS OF VACANCY AND NEIGHBORHOOD PROPERTY VALUES				
				KEY: ✓ Expected pattern: properties <i>farther from vacancies</i> have higher/greater: 1) assessed value, 2) increase in assessed value, 3) sales price, or 4) increase in sales price ? Unexpected pattern: properties <i>closer to vacancies</i> have higher/greater: 1) assessed value, 2) increase in assessed value, 3) sales price, or 4) increase in sales price Groups: Occupied properties, grouped by distance from a vacant property: within 149 ft., 150-299 ft., 300-449 ft., 450 ft. or more				
	Vacant residential buildings	Percent vacant buildings	% occupied residences within 299 ft. of vacancy	Overall Patterns	Median Assessed Value: 2006	Median Assessed Value: Change 2002-2006	Median Sales Price: 2005 and 2006	Median Sales Price: Change 1999-2000 to 2005-2006
Detroit Shoreway	199	5.1%	67%	<ul style="list-style-type: none"> Mixed pattern overall Mixed pattern in sales price change Fairly small price spread across groups 	Mixed pattern of median value across groups	Percentage change in value nearly the same for all groups ✓ Value increase <i>lowest</i> for properties with <i>3+ vacancies on the same block</i>	Minimal variation in price based on distance from vacancy ✓ Price <i>much lower</i> for properties with <i>3+ vacancies on the same block</i>	Mixed pattern of sales price change across groups ? Group <i>closest</i> to and group <i>farthest</i> from vacancies had large sales price increases
Mount Pleasant	487	8.4%	77%	<ul style="list-style-type: none"> No discernable pattern overall Very small value and price spread across groups 	Minimal variation in median value based on proximity to vacancy.	Minimal variation in median value change based on proximity to vacancy.	Minimal variation in median sales price based on proximity to vacancy.	Minimal variation in sales price change based on proximity to vacancy.
Slavic Village	855	10.9%	93%	<ul style="list-style-type: none"> Unexpected pattern overall Greatest value and price increases for properties closest to vacancies Fairly small price spread across groups 	✓ Properties <i>closer</i> to vacancies had <i>lower</i> values	? Properties <i>farthest</i> from vacancies had the <i>smallest</i> increase in values	? Properties <i>closer</i> to vacancies had progressively <i>higher</i> sales prices	? Properties <i>closer</i> to vacancies had <i>greater</i> sales price increases

Sources: Cuyahoga County Auditor data and CRP calculations; see Section 5.01d for detailed data and analysis.

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Table 2-19. Columbus: Patterns of Proximity to Vacancy and Neighborhood Property Value

NEIGHBORHOOD	VACANCY CONCENTRATION, 2007			PATTERNS OF VACANCY AND NEIGHBORHOOD PROPERTY VALUES				
				<p>KEY:</p> <p>✓ Expected pattern: properties <i>farther from vacancies</i> have higher/greater: 1) assessed value, 2) increase in assessed value, 3) sales price, or 4) increase in sales price</p> <p>? Unexpected pattern: properties <i>closer to vacancies</i> have higher/greater: 1) assessed value, 2) increase in assessed value, 3) sales price, or 4) increase in sales price</p> <p>Groups: Occupied properties, grouped by distance from a vacant property: within 149 ft., 150-299 ft., 300-449 ft., 450 ft. or more</p>				
	Vacant residential buildings	Percent vacant buildings	% occupied residences within 299 ft. of vacancy	Overall Patterns	Median Assessed Value: 2006	Median Assessed Value: Change 2002-2006	Median Sales Price: 2005 and 2006	Median Sales Price: Change 1999-2000 to 2005-2006
North Linden	349	3.6%	53%	<ul style="list-style-type: none"> Expected pattern overall Mixed patterns in value and sales price <i>change</i> Wide spread in value and price across groups 	✓ Properties <i>closer</i> to vacancies had progressively <i>lower</i> values	Percentage change in value the same for all groups	✓ Properties <i>closer</i> to vacancies had progressively <i>lower</i> sales prices	Mixed pattern of sales price increase based on distance from vacancy ✓ Price increase <i>lowest</i> for properties with 3+ vacancies on the same block
Franklinton	383	14.0%	97%	<ul style="list-style-type: none"> Unexpected pattern overall Fairly small value and price spread across groups Few sales of properties >150 ft. from a vacancy 	? Properties in the group <i>farthest</i> from vacancies had the <i>lowest</i> values	✓ Properties in the group <i>farthest</i> from vacancies had the <i>greatest</i> percentage increase in values	? Properties <i>closest</i> to vacancies had the <i>highest</i> sales prices	? Price <i>increased</i> for the group <i>closest</i> to vacancies; price <i>dropped</i> for the group <i>farther</i> from vacancies
Livingston-Driving Park	359	9.5%	90%	<ul style="list-style-type: none"> Mixed pattern overall Fairly small value and price spread across groups 	✓ Properties <i>closer</i> to vacancies had <i>lower</i> values	? Properties <i>closer</i> to vacancies had <i>progressively greater</i> increases in values	Minimal variation in sales price based on proximity to vacancy	✓ Properties <i>closer</i> to vacancies had progressively <i>lower</i> sales price increases

Sources: Franklin County Auditor data and CRP calculations; see Section 5.02d for detailed data and analysis.

3

Observations from the Research

This section summarizes observations and themes from the research that cut across communities, along with excerpts from the community assessments that illustrate the observations and highlight the range of experiences across the study cities.

- 3.01 Tracking Properties
- 3.02 Impact on Cities
- 3.03 Impact on Neighborhoods
- 3.04 How Cities are Addressing the Problem
- 3.05 Research Challenges

3.01. Tracking Properties

Cities face challenges in undertaking comprehensive tracking

All cities face challenges in identifying and tracking vacant and abandoned properties. This research uncovered a range of tracking systems (or lack of systems) across the study cities. Dayton, Columbus, and Zanesville have the most comprehensive tracking systems, producing data that is useful both for this research and for the city's code enforcement and community development activities. Cleveland has only recently assembled a composite picture of vacancy using surveys conducted by 27 neighborhood CDCs. Springfield, Lima, and Ironton have limited capacity to produce the data needed for a current, citywide picture of vacant and abandoned properties. In these cities, data are for the most part limited to properties for which a complaint has been received and an inspection conducted.

Lima: For every vacant and abandoned property identified through code enforcement's complaint and investigation process, city staff estimates that there are another 1-2 vacant and abandoned buildings not being tracked by the city.

Ironton: The city's code enforcement program is essentially run by one person. The city does not fund property maintenance and code enforcement activities as a full-time, 40-hour per week position.

Cities need assistance to implement good tracking systems

If the resources required for Dayton's tracking system is any indication, most cities, and particularly smaller communities, would need assistance to establish and implement an enhanced tracking system. This includes funding for staff and technology, as well as technical assistance in establishing and using the system and the data it produces. If cities across Ohio would adopt similar systems, using consistent criteria for identifying vacant and abandoned properties, it would greatly enhance the availability of statewide data on this important policy issue.

Dayton: The citywide biennial property conditions survey produces the city's vacant structure inventory and Blue Book, which is available on the city's website. The survey required the effort of nearly every housing inspector on staff (23 in 2006) working in the field for about three months.

Characteristics of a model tracking system

Based on CRP's experience in using data from these diverse systems for this research and discussing tracking systems with the city officials who use them on a daily basis, the following emerged as the characteristics of a model system for tracking vacant and abandoned properties:

- 1) A regular citywide inspection "sweep" and inventory
- 2) A cross-agency electronic data system that can be easily queried to produce a variety of reports

- 3) Common and clear definitions for data elements and property status
- 4) A uniform system of assigning parcel ID numbers or other property identifiers across city agencies that links with County Auditor data
- 5) Assignment of costs to city activities related to these properties
- 6) Regular updates of the status of properties being tracked and longitudinal data

Finally, a system is only useful if communities and other key stakeholders regularly review the data and make use of it for program design, policymaking, and targeting resources to prevent and address vacant and abandoned properties.

Zanesville: Code Enforcement has new integrated housing, code enforcement, and property maintenance software that is searchable, is compatible with GIS, and can be linked to the County Auditor database. Future updates include a field module that code enforcement officers can operate remotely to enter inspection data on site.

3.02 Impact on Cities

Fewer resources to address vacancy, provide city services, and fund schools

Using conservative estimates and incomplete data from some cities, the study identified over \$60 million in costs to local jurisdictions attributed to vacant and abandoned properties. City government pays the direct costs of code enforcement, boarding, demolitions, maintenance and police and fire services. However, by far the largest financial impact is lost tax revenue from tax delinquencies and demolitions, running into tens of millions of dollars in some communities. The 2006 tax loss from just the three Cleveland and three Columbus neighborhoods studied totaled over \$5 million. This further limits the resources available to cities to address the problem of vacancy, as well as to fund other vital city services. School districts, which receive about two-thirds of real property tax revenue statewide, bear the brunt of tax loss from vacant and abandoned properties (Ohio Department of Taxation).

Cleveland: Property values in the city are depressed, which tremendously affects the tax rolls. Not only is the immediate tax revenue not available as a result of vacancies, but the city's bonding authority is affected. This limits the resources available to the city to address the problem of vacant and abandoned properties.

A large impact on smaller cities

The impacts of vacant and abandoned properties are very visible and more widely known in Ohio's largest cities. What is not so well known is the extent and impact of vacancy and abandonment in Ohio's smaller cities. Lima, for example, with a 2006 population of only 38,219, reported an official count of 467 vacant and abandoned properties, and an unofficial estimate of as many as 1,400 vacancies. This rate is comparable to that of Columbus (population 722,033) with a count of 3,875 vacancies. In addition, these small cities tend to have weak housing markets and limited staff and financial resources to address vacant and abandoned properties.

Lima: Vacancies negatively affect the city's ability to qualify for the Low-Income Housing Tax Credit allocated by the Ohio Housing Finance Agency for the construction of new affordable rental housing. The plan assumes that there is not a need for new rental housing in communities with high vacancy rates.

Springfield: The city stopped providing local government trash pick-up about ten years ago, and since that time code enforcement staff reports having a significant problem with vacant properties being used as dumping grounds for garbage.

The important role of code enforcement staff in addressing vacancies

In the course of conducting this research, CRP worked extensively with the code enforcement staff of the study cities. The growing numbers of vacant and abandoned properties place a great burden on these staff, particularly in smaller cities with limited staff capacity, where a few may wear many hats. Code enforcement staff has the challenge of responding to citizen complaints, conducting inspections, working with uncooperative (or missing) property owners, and tracking compliance. It is frustrating work, described by one code enforcement official as “going after poor guys and dead guys.” It is also these staff that are essential to implementing programs to track and address vacant and abandoned properties.

Zanesville: Zanesville conducted citywide inspections of all properties, and began to concentrate aggressive code enforcement action and, when necessary, demolition resources on the 230 properties identified as vacant and abandoned. As a result of those targeted actions by code enforcement staff, property owners took renewed interest in repairing and maintaining their homes and the effect of blighted, nuisance properties has been diminished.

3.03 Impact on Neighborhoods

Vacant properties blight neighborhoods

It is not surprising that the negative impact of vacant and abandoned properties on neighborhoods was a theme of the research findings in each of the study cities. Site visits and conversations with city officials revealed similar perspectives across cities—that the blighting influence of vacant and abandoned properties negatively affects the quality of life in neighborhoods. Vacancies create a downward spiral for neighborhood housing markets that is difficult to correct, even with large infusions of public dollars.

Columbus: City officials note that vacant and abandoned properties pose a real problem for every family living next door to an abandoned house. Abandoned and neglected homes are eye-sores and magnets for crime and vandalism within neighborhoods. Increasing numbers of vacant and abandoned properties also hinder the city's neighborhood revitalization strategies.

Cleveland: The many vacant and abandoned properties in the three Cleveland study neighborhoods provide a thriving scene for property crime. Most obvious are houses completely stripped of copper pipes, fixtures, and aluminum siding. This adds to the "uphill battle" to redevelop neighborhoods, as this vandalism impacts renovated or newly constructed homes as well.

Ironton: The city can only address the "worst of the worst" with any degree of immediacy. Other vacant and abandoned properties may remain a blighting influence on neighborhoods for long periods of time.

Financial impact is hard to quantify in neighborhoods with widespread vacancies

In the Cleveland and Columbus neighborhood assessments, CRP assessed the patterns of vacancy and abandonment and the property values and sales price of occupied residences. When the research study was designed, based on the literature review, it was anticipated that there would be observable patterns of decrease in property values with closer proximity to vacant structures. However, CRP found that the more widespread the vacancies in a neighborhood, the less likely there were discernable patterns of impact on property values and sales price. These neighborhoods appear to be no longer operating as typical housing markets.

Most of the study neighborhoods had mixed patterns, with some data showing expected patterns (properties *farther* from vacancies had *higher* assessed values and sales price) and other data showing unexpected or unclear patterns. Within the scope of the research it was not possible to determine the cause of these mixed patterns. They may be a reflection of pre-existing property values, factors not captured in the data analysis (e.g. vacancies in an adjacent neighborhood, location near a highway), an overall weak neighborhood housing market, or even city policies to address vacancy, such as aggressive demolition.

Zanesville: Vacant and abandoned properties represent lost opportunities. This includes the lost opportunity to market a property tied up in legal proceedings, lost opportunities to redevelop properties for low- to moderate-income households, and the lost opportunity to sell a house for what it would be worth if it there were not a vacant property located on the same street.

Springfield: The city's aggressive demolition policies can alter the unique quality of a neighborhood. Demolition programs, at times, can run counter to redevelopment initiatives that emphasize preservation above demolition.

Hardest hit areas show evidence of fraudulent mortgage schemes

In the areas of neighborhoods with high concentrations of vacancies, the patterns were sometimes the opposite of what would be expected—properties in closest proximity to vacancies experienced greater increases in assessed value and sales price than those farther away. One explanation for this may be flipping or property transaction made by unscrupulous investors. In Cleveland, neighborhoods that have hit hard by vacant and abandoned properties are known to be the targets of property flipping and fraudulent mortgage schemes by investors who seek to make a quick profit by buying and reselling these properties within a short period of time. This can also be an issue in smaller cities, as was noted by Zanesville officials.

A recent article in The Columbus Dispatch about national companies selling foreclosed properties to out-of-state purchasers describes this phenomenon. Two foreclosed homes in the South Linden area of Columbus were purchased in May 2006 by Mid-State Homes in Sunbury, Ohio, for \$29,000 and \$35,000 and one month later were resold to an unsuspecting buyer in the Seattle area for \$54,000 and \$59,000 (Columbus Dispatch, January 7, 2007).

Cleveland: In Slavic Village it is estimated that at least half of the neighborhood's vacant and abandoned property problem has been driven by fraudulent investment and lending practices.

Zanesville: Starting in about 2002, several out-of-town real estate investors purchased and resold, at increasingly inflated prices, nearly 100 properties throughout the city. Many of these properties ended up first in foreclosure, and then on the list of vacant and abandoned buildings that the city is now attempting to address.

3.04 How Cities are Addressing the Problem

Although the research did not focus specifically on creating a comprehensive picture of how cities are addressing the problem of vacant and abandoned properties, discussions with city staff and site visits provided information on these activities. The study cities are taking a variety of approaches to addressing vacant and abandoned properties. The following are observations about these approaches:

Targeted and coordinated code enforcement

Code enforcement is the front line on addressing vacant and abandoned properties. An approach being undertaken by most of the cities is identifying property owners and using city orders and fines, as well as the courts, to compel them to address their problem properties. This may include boarding, maintenance, rehabilitation, and/or demolition. Coordination among city agencies (code enforcement, law, health, fire, police) is an important part of these targeted enforcement initiatives. Cities are focusing these efforts on both the worst offenders and on early intervention and prevention activities.

Toledo: Two concentrated code enforcement programs target properties that have a history of maintenance violations and noncompliance with abatement orders. The Dirty Dozen program coordinates the work of the code enforcement, health, fire, and law departments on the owners of the 12 worst (primarily commercial) properties, with a goal of obtaining final resolution, either through rehabilitation or demolition. The Worst to First program is a similar initiative targeting residential properties.

Zanesville: The city's Code Enforcement Manager and municipal judge collaborated to craft a set of recommended penalty guidelines for property maintenance code violations. Since that time, penalties (or the threat of penalties) have been consistently imposed by the court. As a result, city staff report that property owners respond more readily to Code Enforcement notifications and properties are better maintained.

Lima: Lima's Property Maintenance Code mandates that vacant structures may not remain boarded for a period longer than six months. Failure to comply with this requirement may result in the owner being issued a "board down" notice, which is subject to a civil penalty of \$350 and being found guilty of a fourth degree misdemeanor. City staff perceives the requirement to repair or replace a boarded opening within six months to be most effective with buildings that are vacant for the first time. Issuing a board-down order for a long-term vacant and abandoned building, however, rarely results in compliance.

Ironton: At one time, Ironton's mayor organized a "slum and blight committee" of the code enforcement officer, police chief, fire chief, health commissioner, and public works director. This committee was to meet on a monthly basis to compare notes and prioritize strategies for addressing blighted properties across the city, but met only twice before disbanding.

Overcoming legal hurdles

Staff of the study cities described legal hurdles to dealing with vacant buildings (either fixing them up or tearing them down). Zanesville city staff, for example, identified two challenges. The first is locating the party legally responsible for property maintenance, which is a particular problem when foreclosed property is in the hands of a bank or mortgage holder. The second is property that is vacant for years when heirs fail to probate their title to the estate after the property owner dies. Even when there is a buyer interested in acquiring or fixing up the property, the city has no legal means of marketing it. Cities have developed strategies to identify owners and compel them to maintain their properties or to expedite the legal processes related to code enforcement and property transfer.

Dayton: City housing inspection staff created and maintains a list of state and national contacts within the banking and mortgage industry, primarily within REO, foreclosure, and property preservation departments. Housing inspectors rely on this list when a foreclosed property becomes a nuisance and there is a need to locate a responsible party to assume maintenance. This has resulted in significant cost savings for the city in mowing, clean-up and boarding costs.

Cleveland: The Cleveland Housing Court enforces city ordinances and state law affecting residential and commercial property in Cleveland. The Court has implemented a contact list database that identifies and tracks contacts at lending institutions to more quickly resolve property maintenance and deed transfer issues. The court also holds “trials in absentia” based on state law that authorizes the Court to enter a plea of not guilty on behalf of a corporation that fails to appear for a hearing and then try the entity in absentia.

Aggressive demolition

In most cities, demolition is a key tool in addressing vacant and abandoned properties. Dayton, Springfield, and Cleveland currently have aggressive demolition policies, and staff in all three cities acknowledge that demolition has both positive and negative impacts on neighborhoods. On the positive side, it removes a blighting influence, which can be a target for crime and arson. The remaining vacant land provides an opportunity for redevelopment. Some cities with large population losses are pursuing a deliberate strategy of downsizing the city. However, large scale demolition, without a plan for redevelopment, can permanently change the character of a neighborhood, making it less attractive for homebuyers and investors. Vacant lots can also become overgrown and a dumping ground for trash.

Springfield: Demolition is the preferred means to addressing vacant and abandoned buildings in Springfield. The Code Enforcement Division pursues boarding aggressively, and generally will not allow a structure to remain an open, unsecured eyesore for long. An aggressive demolition policy reduced the number of boarded properties and other buildings requiring demolition over the years, but has increased the number of undeveloped, vacant lots.

Dayton: About 10 years ago there was a perception among City Commission members that the city was tearing down too many buildings, and that the focus

of city efforts should be on securing and rehabilitating vacant and abandoned structures. Since then, the pendulum has swung the other way, and today the Commissioners support and fund a more aggressive demolition policy, with a dramatic increase in demolition activity in the last two years.

Land banking

Several of the study cities—Lima, Columbus, and Cleveland—have a city land bank, and establishment of a land bank is under discussion in Zanesville and Dayton. This gives cities a tool for acquiring and gaining control of the disposition of vacant lots. Typically these are sold or given away at low or no cost to adjacent property owners or non-profit developers. They can also be assembled into larger lots as an incentive to spur larger-scale redevelopment.

Cleveland: In 2006, Cleveland's land bank held 5,367 properties. Land bank lots are owned and maintained by the city, and often come into the city's possession following the municipal demolition of a condemned structure. Cleveland has a long-established and very active land bank program that is used to return these tax-delinquent properties to productive use, often by giving land to CDCs for new housing development.

Lima: The Lima Land Acquisition and Neighborhood Development (LAND) bank, established in 2000, acquires vacant lots and returns them to productive uses. As of September 2007, LAND had acquired a total of 81 parcels, which must be tax delinquent for two years to be eligible for LAND bank acquisition. Lots may be purchased by adjacent property owners to combine with their property or by others for new construction.

Investment in neighborhood revitalization

Particularly in the larger cities, significant resources are being invested in neighborhood revitalization activities, including funding of housing repair, rehabilitation, and new construction, infrastructure improvements, and stepped up safety services. These are costly initiatives, and involve both government funding (city, state, and federal) and resources from foundations and corporations. Key players in these initiatives are neighborhood-based organization and non-profit developers.

Columbus: In February 2006 the city launched the Home Again program, a five-prong, inter-departmental approach to combating vacant and abandoned properties in Columbus. The city has committed \$25 million over six years with a stated goal of putting 1,000 properties back to productive use by 2012. The five components of the Home Again program are enforcement, prevention, acquisition, rehabilitation, and demolition.

Cleveland: The Model Block program, a partnership of the City of Cleveland, Neighborhood Progress, Inc., and CDCs, focuses resources on building "model blocks" in neighborhoods on the streets near large, new housing and commercial projects. Activities include home repair, improved security, new parks, marketing, and image building along streets. Another objective is the elimination of vacant, abandoned, or eyesore properties, through either demolition or rehabilitation.

Partnerships to prevent foreclosure

All of the study cities identified foreclosure as a cause of the growing number of vacant and abandoned properties in their communities. Over the past year the foreclosure crisis in Ohio and across the nation exploded, with extensive media coverage of the issue. While foreclosure is a fairly recent phenomenon in newer, suburban neighborhoods, it is a long-standing problem in older and central city housing markets, where the issues of predatory and subprime lending and vacant and abandoned housing have existed for many years.

In strong markets, vacant units can generally be absorbed over time. The challenge for cities is how to address vacant and abandoned housing in weak housing markets. There is limited demand for the housing at the bottom of the market in areas that are losing jobs and population. In addition, the housing conditions in older city neighborhoods and in Ohio's small and rural communities are not able to support the level of investment needed to put these houses back into productive use without considerable incentives and subsidy. Because of this, national funders, foundations, state government, cities, and nonprofit organizations are focusing resources on foreclosure prevention as a key strategy for preventing additional vacant and abandoned houses.

Statewide Foreclosure Prevention Initiative: The Ohio NeighborWorks Foreclosure Intervention Initiative and the Ohio Department of Development Ohio Rescue Fund are partnering with 12 nonprofits across the state, including organizations in Columbus, Springfield, Cleveland, Toledo, Dayton, and the Appalachian region. The organizations provide a range of services, including marketing, public education, workshops, one-on-one counseling, and financial assistance with mortgage payments, housing rehabilitation, and home repair.

Cleveland Foreclosure Prevention Program: A collaboration of stakeholders, including Neighborhood Progress, Inc. and the Center on Urban Poverty and Community Development at Case Western Reserve University (home of the NEO CANDU property information system), is identifying and intervening in the risk of mortgage foreclosure at the household level.

Impacting public policy

This research was undertaken with the goal of providing hard data for use by ReBuild Ohio in developing public policy recommendations for changes in state law to make it easier for local governments to address the problem of vacant and abandoned property and make productive reuse of these properties. Columbus, through the work of United Way of Central Ohio, is also implementing a public policy strategy focused on vacant and abandoned housing.

Columbus: The United Way of Central Ohio Public Policy Committee is supporting policies that change laws, building codes, and administrative procedures that make it easier to acquire and put back into use vacant and abandoned housing stock. This may include required recordation of deeds, land bank reform, super priority liens, increasing costs of owning vacant properties, and tax lien sale reform.

3.05. Research Challenges

Throughout the report there are numerous descriptions, explanations, and caveats regarding the data collected for this study. From these, several themes emerge, which are described below. These suggest areas where improved data availability would enhance future research. These research challenges have particular implications for statewide research on vacant and abandoned properties.

Inconsistent data across cities

Based on the literature review conducted by CRP, it appears that research on vacant and abandoned properties typically focuses on one city, delving deeply into city and county databases, budgets, and reports. This study took on the challenge of looking at data for eight cities, ranging in size from the two largest in the state, to one of the smallest. Because the state does not establish a standard for property data collection and reporting, the available data varied across cities. In some cities, there was no reasonably accessible data for one or more data elements. For those data elements that were available for all cities, there were differences in definitions and data collection methods across cities. These data variances made it difficult to calculate a clear “bottom line” across the cities.

Limited financial data

The most difficult data to collect across cities were data to determine a city’s cost for addressing vacant and abandoned properties. Typically program or operations staff has data on the number and type of services provided, but the cost data related to those services are maintained by the city budget office. As a result, it is difficult to put the two sides of the equation together in a reasonably precise way. In addition, there are a variety of databases in use across city departments, which may use different numbering conventions to identify properties. This created particular barriers in linking code enforcement data with police and fire data in order to determine the cost of providing fire and police services to vacant properties.

Lack of data on non-residential vacancies

There is a need for more, and more consistent, data on vacant and abandoned commercial and industrial properties. The report focuses largely on residential vacancies because of the spotty nature of data on non-residential vacancies and the difficulty of determining and comparing vacancy rates for non-residential properties.

The “chicken and egg” analysis challenge

Because there were not longitudinal databases on vacant and abandoned properties in any of the study cities, there exists a “chicken and egg” problem with regard to analyzing impact on neighborhoods and on municipal services costs. With only a point-in-time inventory, there is no way of knowing when a property became vacant, or how long it has been vacant. As a result, it is not known if an underlying weak housing market caused an increase in vacancies, or if the vacancies weakened the housing market. Similarly, it is not known if a fire caused a building to become vacant or if the vacancy provided an opportunity for the fire. A similar problem exists with trying to tie prior police runs and utility usage to addresses that are currently vacant.

4

Citywide Assessments

This section includes the following assessments of the magnitude and local government fiscal impact of vacant and abandoned properties in the five Ohio cities for which citywide research was conducted:

4.01 Dayton

4.02 Ironton

4.03 Lima

4.04 Springfield

4.05 Zanesville

4.01 Dayton Summary



In June 2007, Dayton's vacant and abandoned properties inventory included 3,821 residential and commercial buildings, identified through the Housing Inspection Division's citywide windshield survey, and 1,996 lots, identified through Vacant Land Management office records—5,817 properties overall. The location of these properties is spread throughout the city, but is especially concentrated in the west and southeast areas of Dayton. It is estimated that vacant and abandoned properties cost the city \$12.4 million in city services and foregone property tax collections from 2006 to 2007.

4.01a. Dayton Profile

The City of Dayton, located in Montgomery County in western Ohio, had an estimated 2006 population of 156,771, a 13.9% drop from the 1990 population of 182,044. In 2006 there were 51,541 residential properties in Dayton; Census 2000 identified 77,337 housing units in the city. In 1999, the median home value for owner-occupied homes in Dayton was \$67,300. Thirty-four percent of homes in Dayton were built prior to 1940, while 5.4% of units have been built since 1980.

4.01b. Incidence of vacant and abandoned properties

- **How the city identifies vacant and abandoned properties.** Dayton's Department of Building Services, Housing Inspection Division conducts a windshield survey of the exterior condition of all residential and commercial structures in the city every two years. At the same time, inspectors determine each structure's occupancy status, data from which are used to compile a vacant structure inventory.
- **Vacant buildings.** There are 3,821, buildings in Dayton identified as vacant, according to a citywide property conditions survey conducted by the Department of Building Services in 2006/2007. This includes 1,381 structures that are vacant and boarded, 2,403 structures that are vacant and secure, and 37 structures that are vacant and too damaged to be boarded.
- **Vacant land.** Included in Dayton's vacant and abandoned property inventory are 1,996 vacant lots, identified through data from the city's Vacant Land Management Office.

4.01c. Local government costs of vacant and abandoned properties

From 2006 to 2007, the City of Dayton and other local taxing districts are estimated to have incurred a total of \$12,415,056 in costs as a result of vacant and abandoned properties. This includes:

- **Direct municipal cost.** \$3,651,654 for code enforcement staff and operating costs, demolition and boarding, grass cutting, trash removal, and police and fire services
- **Lost tax revenue.** \$8,763,402 in property tax loss from building demolition and delinquency

4.01d. Perspectives on Vacant and Abandoned Properties in Dayton

- **How the city addresses vacant and abandoned properties.** The Housing Inspection Division uses the data gathered from its biennial vacant structure inventory to target code enforcement efforts and resources on areas of the city where abatement or demolition can spur neighborhood revitalization. The city has also significantly increased demolition activity in the last two years. A list of over 500 contacts within the banking and mortgage industry has helped city housing inspectors identify owners or responsible parties willing to assume the cost of securing and maintaining many foreclosed properties in the city.
- **Impacts of vacancy and abandonment.** In a survey of Dayton residents conducted by Wright State University, vacant lots were associated with uncut grass and weeds, litter and trash by over one-third of respondents. Over the last two years, the Division of Housing Inspection has increased the number of structures it demolishes annually, due in large part to increased support from the Dayton City Commissioners.

4.01a. Dayton Profile

Demographic and economic profile

The City of Dayton is the county seat of Montgomery County, in west central Ohio. The city's estimated 2006 population was 156,771, a 13.9% drop from the 1990 population of 182,044. In 2000, Dayton had a proportionately larger minority population than Montgomery County or Ohio, as well as higher poverty and unemployment rates, and a lower median household income (Table D-1). Montgomery County's largest industry sectors in 2007 were: health care and social assistance; manufacturing; retail; and state and local government (Ohio Department of Development, Ohio County Indicators).

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Table D-1. Demographic Characteristics: Dayton, Montgomery County and Ohio

	DAYTON	MONTGOMERY COUNTY	OHIO
Estimated population, 2006	156,771	542,237	11,478,006
Total population, 2000	166,179	559,062	11,353,140
Percent white	53.4%	76.6%	85.0%
Percent non-white (1)	46.6%	23.4%	15.0%
Median household income, 1999	\$27,423	\$40,156	\$40,956
Poverty rate, 1999	23.0%	11.3%	10.6%
Unemployment rate, 2000	9.3%	5.3%	5.0%

Source: U.S. Census Bureau: Annual Population Estimates; Census 2000 Summary Files 1 and 3

(1) Non-white includes Census categories: Black or African American alone; American Indian and Alaska Native alone; Asian alone; Native Hawaiian and Other Pacific Islander alone; some other race alone; and two or more races

Housing profile

This section includes data on the composition and character of the Dayton housing stock from two data sources. The Montgomery County Auditor records data on residential property types (Table D-2). Each property, no matter how many units, is counted once. The U.S. Census counts each housing unit within a residential building (Table D-3). In 2006 there were 51,541 residential properties in Dayton; Census 2000 identified 77,337 housing units in the city.

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Table D-2. Dayton Residential Property Types, Montgomery County Auditor Records, 2006

TOTAL PROPERTIES	SINGLE-FAMILY	2 TO 3-UNITS	4+ UNITS	OTHER (1)
51,541	44,943	4,287	1,812	499

Source: Montgomery County Auditor

(1) "Other" includes residential condominiums, commercial-residential mixed use properties, etc.

Housing cost and age of housing stock

In 1999, the median home value for owner-occupied homes in Dayton (\$67,300) was well below the Montgomery County median (\$95,900). Median gross rent in Dayton was also lower than the county figure (\$448 versus \$525).

The housing stock in Dayton is fairly old, with 34.1% of homes built prior to 1940, compared to 16.3% in Montgomery County. Only 5.4% of housing units in Dayton have been built since 1980, compared to 16.2% in Montgomery County.

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Table D-3. Age of Housing Stock, Dayton, Ohio, 2000

YEAR BUILT	HOUSING UNITS	
1939 or earlier	26,351	34.1%
1940-1959	28,881	37.3%
1960-1979	17,950	23.2%
1980-1989	2,528	3.3%
1990-2000	1,627	2.1%
Total	77,337	100.0%

Source: U.S. Census Bureau, Census 2000 Summary File 3

Housing tenure

In 2000, 46% of all housing units in Dayton were owner-occupied, and the city's overall housing vacancy rate was 12.8% (Table D-4). Vacant housing is categorized by the U.S. Census according to the reason for vacancy, such as being for rent, sale or seasonal use. Vacant housing units that cannot be classified in one of these categories are included in an "other vacant" category.

In 2000, the census identified a total of 9,912 vacant housing units in Dayton, with 3,246 units in the "other vacant" category – an increase of 68.8% over the number of units in this category in 1990 (1,923 units). The 3,246 "other vacant" housing units in the 2000 Census is less than the number of vacant and abandoned buildings (3,821) identified by the city during its biennial citywide property condition survey. It can be assumed that vacant and abandoned housing (those not for sale or rent), as defined for this study, is for the most part captured in this "other" category, but because address-level census data are not available, this cannot be verified.

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Table D-4. Housing Tenure: Dayton, Montgomery County and Ohio, 2000

	DAYTON		MONTGOMERY COUNTY		OHIO	
	1990	2000	1990	2000	1990	2000
Total housing units	80,370	77,321	240,820	248,443	4,371,945	4,783,051
Owner occupied	46.1%	46.0%	59.1%	59.7%	63.1%	64.2%
Renter occupied	44.3%	41.2%	34.8%	32.6%	30.4%	28.7%
Vacant	9.6%	12.8%	6.1%	7.7%	6.5%	7.1%
Vacant for rent	4,105	4,646	7,485	8,658	108,117	125,095
Vacant for sale only	736	1,094	1,961	2,684	37,628	48,404
Vacant rented or sold, not occupied	858	792	1,747	1,631	32,961	33,182
Seasonal, recreational, or occasional use	76	129	379	912	37,324	47,239
Migrant worker units	2	5	9	9	4,57	355
Other vacant	1,923	3,246	3,047	5,320	67,912	83,003
Total vacant	7,700	9,912	14,628	19,214	284,399	337,278

Source: U.S. Census Bureau, Census 1990 and 2000 Summary File 1.

4.01b. Dayton: Incidence of Vacant and Abandoned Properties

Vacant and abandoned buildings

In July 2007, there were 3,821 buildings in Dayton's vacant and abandoned buildings inventory. This included: a) 1,381 structures that were vacant and boarded; b) 2,403 structures that were vacant and secure (i.e., not boarded) but also not actively listed for sale or for rent; and c) 37 structures that were vacant and too damaged to be boarded. Within this total inventory, 3,439 buildings are residential. Also within the total inventory, 420 structures—some boarded and some not—were also on the city's list of nuisance properties.

City of Dayton method for tracking vacant and abandoned buildings

Dayton's Department of Building Services, Housing Inspection Division conducts a windshield survey of the exterior condition of all residential and commercial structures in the city every two years. City housing inspectors assess the front and visible sides of each structure, and rate it on a scale from 1 to 5 (Table D-5).

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Table D-5. Dayton Housing Inspection Condition Ratings

RATING	DESCRIPTION
1	Sound: The structure is sound and has no exterior code violations.
2	Minor Repair: The structure requires minor maintenance; spot painting of exterior siding, trim, doors, gutters, and/or downspouts; the replacement of rusted gutter and downspouts; minor repair to steps, yard walks, driveways and/or fences.
3	Major Repair: The structure requires more extensive repair, such as painting the entire building, re-roofing, installing all new gutters and/or downspouts, new porch posts or flooring, or all new yard walks or steps.
4	Rehabilitation: The structure requires more costly repairs than the Major Repair category, but reinvestment still makes sense. Replacing items such as windows, doors, roof sheathing, or porch and the rebuilding of sections of the foundation and chimney may be necessary.
5	Dilapidated: Rehabilitating the structure is not economically feasible due to interior destruction and exterior repairs like those cited in Condition 4.

Source: City of Dayton Department of Building Services 2007 Blue Book

Data from the survey are aggregated, organized by neighborhood Priority Board¹ geographies, and published in the Blue Book, which is available on the City of Dayton website. For each Priority Board area, data on housing conditions are presented for: all structures, all residential, owner-occupied, rental, and commercial. To provide citywide data on housing conditions, CRP aggregated the Priority Board-level data from the Blue Book (Table D-6).

¹ There are seven neighborhood Priority Boards that represent 65 neighborhoods in Dayton. According to the city's website, board members are volunteer residents who act as "the voice of neighborhoods," by identifying and prioritizing needs, goals, and objectives important in the preservation of high quality neighborhoods and presenting those priorities to city government, other local public agencies, and Dayton's State Legislative Delegation.

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Table D-6. Dayton Property Condition Survey Data, 2007

CONDITION	ALL STRUCTURES	RESIDENTIAL	OWNER- OCCUPIED	RENTAL	COMMERCIAL
1	43,700	40,427	28,448	11,979	3,273
2	8,324	7,852	3,622	4,230	472
3	2,684	2,601	1,167	1,434	83
4	406	382	135	247	24
5	147	139	54	85	8
TOTAL	55,261	51,401	33,426	17,975	3,860

Source: City of Dayton Department of Building Services 2007 Blue Book

During the course of the biennial survey, at the same time Dayton housing inspectors rate each property's exterior condition, they also determine each structure's apparent occupancy status. These data are used to compile the city's vacant structure inventory. The city's vacant inventory is inclusive of all vacant structures; it is not limited to those that have received complaints or have been condemned or targeted for demolition as a result of numerous property code violations.



Unsecured house in Dayton



House stripped of siding

Dayton provided CRP with its vacant buildings inventory, which included 3,821 structures in July 2007 (Table D-7). Unlike the Blue Book, which reports data at the aggregate level, the vacant buildings inventory is address-based. Structures are categorized by their secured status: “vacant and boarded,” “vacant and secure” (structure is not boarded, but not actively listed for sale or rent); and “vacant and too damaged to board.”

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Table D-7. Dayton Vacant Structure Inventory, 2007

SECURED STATUS	COUNT	PERCENT	NON-RESIDENTIAL (1)	RESIDENTIAL
Vacant and Boarded	1,381	36.1%	63	Single family: 910 2 unit: 265 3+ unit: 143
Vacant and Secure	2,403	62.9%	309	Single family: 1,674 2 unit: 290 3+ unit: 130
Vacant/Too Damaged to Board	37	1.0%	10	Single family: 19 2 unit: 6 3+ unit: 2
TOTAL	3,821	100%	382	3,439

Source: City of Dayton Department of Building Services

- (1) In this table, property type is determined by the land use code assigned by code enforcement officers at the time of the vacant property survey (as opposed to land use assigned in the auditor’s database). Given the secured status categories, all records were assumed to apply to vacant buildings; however, 24 records were coded as vacant land or parking. These 24 records are included in the Non-Residential column.

Of the total buildings in Dayton’s vacant inventory, 420 were also on the city’s list of 612 nuisance structures (August 2007). Nuisance structures are tracked by the Department of Building Services according to their address and property ID, their use (residential or commercial), and the length of time they have been considered active cases. The oldest case was opened in 1986.

Vacant land

Dayton’s Vacant Land Management office, located within the Department of Public Works, provides basic maintenance, including mowing and trash removal, for lots neglected and/or abandoned by property owners. In October 2007, Vacant Land Management provided a list of all parcels currently serviced by the office—a total of 5,894 unique parcels. After reviewing these data and cross-referencing them against Dayton’s vacant structure inventory, CRP identified 3,898 parcels with structures. Based on these data, CRP calculated the number of vacant lots to be 1,996 (5,894 minus the 3,898 parcels with structures).

Other sources of data on vacant land

Montgomery County Auditor data and City of Dayton building demolition data also provide information on the number of vacant parcels of land in the city. However, as described below, there are limitations to using data from these sources to calculate the number of vacant lots for which the local government incurs costs.

- **Montgomery County Auditor data.** Tax year 2006 data indicate that Dayton has 7,639 vacant residential lots (178 of which are held by the city or county) and 1,553 vacant commercial/industrial lots (226 of which are under city or county ownership). There is no readily accessible data to determine which of these lots actually incur costs for the City of Dayton.
- **City demolition data.** In 2006, the City of Dayton demolished a total of 134 primary structures (127 residential and 7 commercial). Data from 2002 through 2006 indicate that the city has demolished a total of 560 buildings. However, knowing that a property is a former demolition site does not necessarily mean the city incurs costs to maintain the site following demolition. In some cases, adjacent property owners purchase empty lots to add acreage to their property (or simply begin to maintain the property without actually purchasing the land). In other cases, new development occurs on former demolition sites.

Location of vacant and abandoned properties in Dayton

Map D-1 identifies the location of:

- All structures identified in Dayton's vacant structure inventory (July 2007).

Map D-2 identifies the location of:

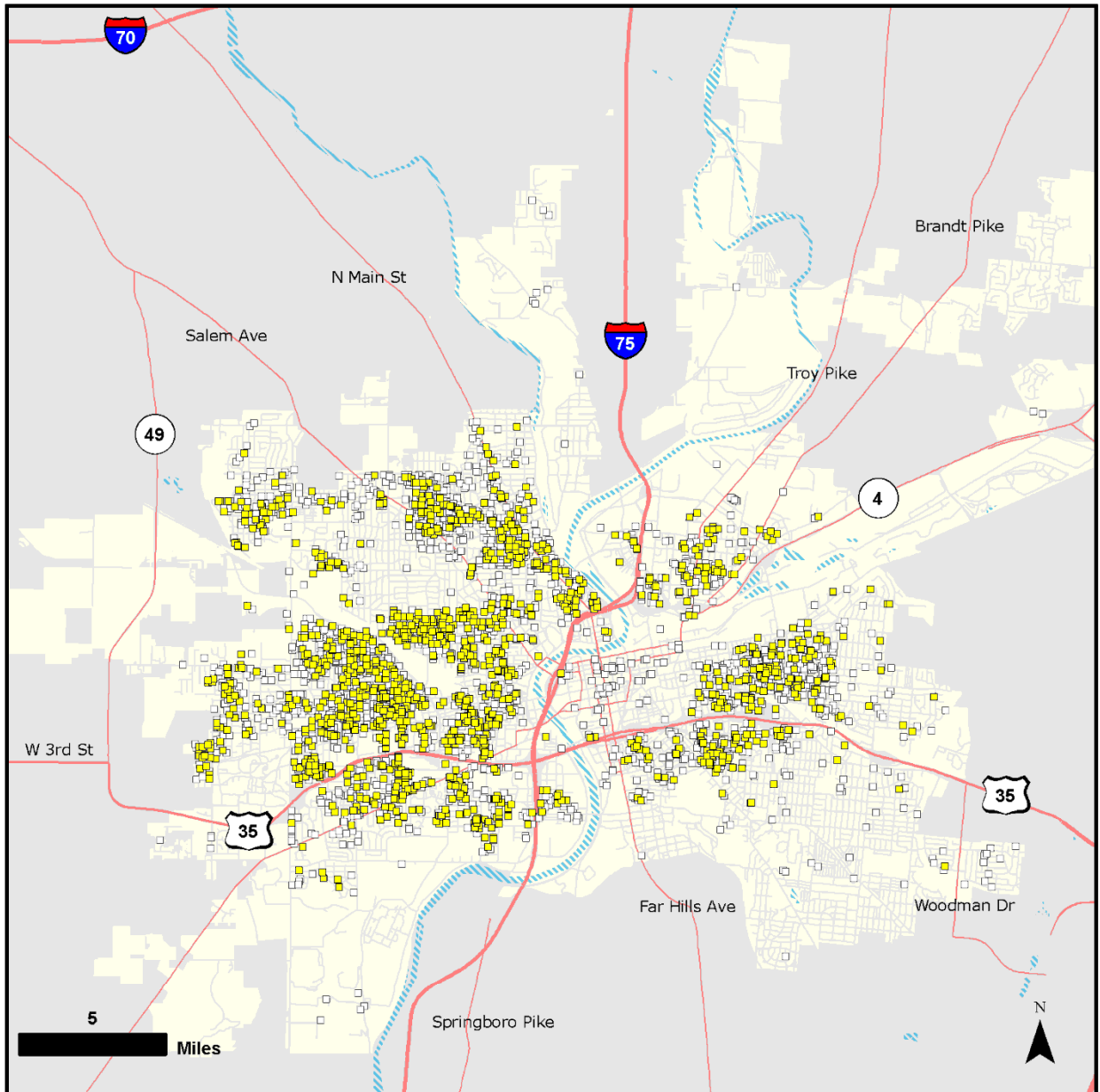
- All structures demolished by the city in 2006
- Vacant parcels mowed by the Vacant Land Management office in 2007

The maps suggest that the incidence of vacant structures is spread throughout much of the city, but is especially concentrated on the west and southeast areas of the city.



Former demolition sites in Dayton

Map D-1. City of Dayton, Building Vacancy



LEGEND

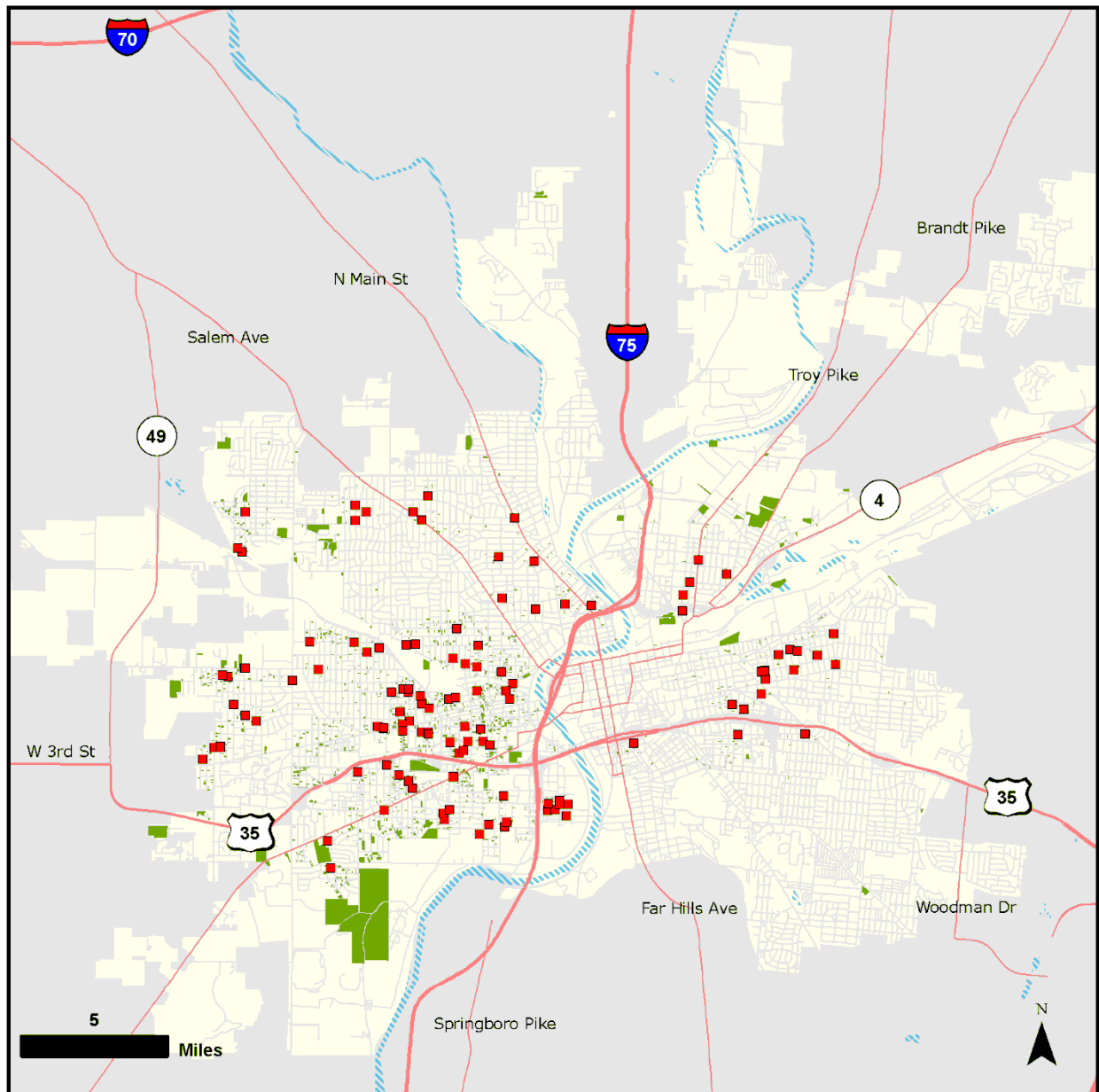
- Vacant & Boarded or Too Damaged (1,418)
- Vacant & Secured (2,403)
- Incorporated Areas in White

Map Notes:

The vacant buildings in this map portray the January 2007 citywide survey of vacant property conducted by the Building Services Department.

Data Sources: City of Dayton, Montgomery County Auditor,
U.S. Census (TIGER 2006 ed.2)
Map by Community Research Partners, 10.10.07
Datum/Projection: NAD83/ OH State Plane South (feet)

Map D-2. City of Dayton, Demolition and Mowing



LEGEND

- Demolished in 2006 (134)
- Probable Vacant Lots (1,996)
- Incorporated Areas in White

Map Notes:

Demolished buildings in this map represent primary structures torn down by the city in 2006.

Probable Vacant Lots in this map represent vacant parcels on the city's mowing list (October 2007).

With parcel ID#s available, it was possible to represent the size and shape of vacant lots in Dayton.

Data Sources: City of Dayton, Montgomery County Auditor,
U.S. Census (TIGER 2006 ed.2)
Map by Community Research Partners, 10.10.07
Datum/Projection: NAD83/ OH State Plane South (feet)

4.01c. Dayton: Local Government Costs of Vacant and Abandoned Properties

Sources of data on local government costs

The data sources identified in Table D-8 were used to calculate the local government costs and impacts of vacant and abandoned property in Dayton. In most cases, these data sources have provided CRP with costs for calendar year 2006, and are therefore not specific to the 3,821 buildings or the 1,996 lots identified in Dayton's current inventory of vacant and abandoned properties. However, these data do provide the best picture available, within the parameters of this research, of the costs to local government of vacant and abandoned buildings and lots in the City of Dayton.

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Table D-8. Sources of Data on Dayton Local Government Costs

DEPARTMENT OR DATA SOURCE	DATA DESCRIPTION OR TYPE
Dayton Department of Building Services	<ul style="list-style-type: none">2006 boarding and demolition costs (department-generated report)
Dayton Vacant Land Management Office	<ul style="list-style-type: none">2007 mowing and trash costs (office-generated report)
Montgomery County Auditor	<ul style="list-style-type: none">Estimated tax loss from demolition, derived from assessed residential building values (CRP calculation)Estimated tax delinquency (CRP calculation)
Ohio Department of Commerce, Division of State Fire Marshal	<ul style="list-style-type: none">Fire incidents in Dayton, 2006
Dayton Police Department	<ul style="list-style-type: none">Service calls to potential vacant addresses, 2006

Direct costs to local government

Direct local government costs are those costs borne by the city to enforce city codes related to property maintenance; to secure, maintain, and/or demolish vacant and abandoned property; and to provide police and fire service to vacant and abandoned properties. CRP estimates that from 2006 to 2007, the City of Dayton's total direct costs to address vacant and abandoned properties totaled \$3,818,654. After a portion of these costs were recouped, direct costs totaled \$3,651,654.

Code Enforcement operating costs

In 2006, Dayton's Department of Building Services was made up of three divisions: Building Inspection, Zoning Administration, and Housing Inspection. The Division of Housing Inspection, specifically, is responsible for enforcement of the city's structural maintenance codes, which includes public nuisance codes, inspection of exterior and interior residential structures, residential zoning, waste collection, abandoned or junk vehicles, and fire prevention (smoke detector).

The total operating budget for the larger Department of Building Services in 2006 was \$6,153,141. Of this, approximately 56% (\$3.4 million) covers salaries and operating

expenses for the Division of Housing Inspection. The division is currently staffed by a total of 44 persons, which includes 28 housing inspectors, nine people in management positions, and seven support staff.

When asked to estimate what percent of Housing Inspection's total staff time and operating budget was directed toward addressing vacant and abandoned properties specifically, the Acting Housing Inspection Manager estimated it to be about one-half. Taken as a percent of the division's overall operating budget in 2006, this equates to approximately \$1,722,879 in 2006.

Boarding and demolition costs (net)

Dayton's Department of Building Services reported spending a total of \$920,361 on boarding and demolition activity in 2006. Net boarding and demolition costs totaled approximately \$753,361. The total number of structures boarded was 658, and the total number of structures demolished was 158 (127 primary residential structures, 7 primary commercial structures, and 24 secondary structures, mostly garages). Total costs, as reported to CRP by the department, include various legal, administrative, and materials costs that may already be captured in the Division of Housing Inspection's stated operating budget (above). Because these costs were difficult to separate into distinct "total boarding" and "total demolition" costs, they have been included in Table D-9, but are excluded from Table D-13's total cost calculation.

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Table D-9. Dayton Boarding and Demolition Costs, 2006

ACTIVITY	COST	PERCENT CDBG	PERCENT GENERAL FUND
Contract boarding	\$110,595	0%	100%
Purchase order/Purchase card boarding	\$4,804	0%	100%
Residential demolition	\$455,218	76%	24%
Commercial demolition	\$261,060	42%	58%
Other demolition costs (1)	\$8,916	56%	44%
Title searches*	\$49,385	100%	0%
Legal advertising*	\$4,943	96%	4%
Court reporting* (2)	\$8,155	100%	0%
Miscellaneous personnel*	\$16,950	100%	0%
Reproduction* (3)	\$324	0%	100%
Postage*	\$11	18%	82%
TOTAL	\$920,361	71%	29%

Source: City of Dayton Department of Building Services

* Excluded from Table D-13 total cost calculations.

(1) Other demolition costs include engineering personnel, environmental review, and fencing materials costs

(2) Court reporting refers to Housing Appeals Board and Use Nuisance hearings, which are recorded

(3) Reproduction costs are costs that are charged internally for copies and documents

Dayton's Code of Ordinances requires that property owners pay all administrative and other costs incurred by the city to remediate a property, including a \$75 fee for every re-inspection, all boarding and securing costs, and all repair, removal, or demolition costs. Property owners are billed directly by certified mail. If payments are not received within

60 days, the city may pursue collection by assessing the owner's property taxes or by commencing a civil action against the property owner.

The Department of Building Services provided estimates on the amount of abatement costs typically recouped from property owners. In 2006, \$24,000 in boarding costs was recouped, and about 20% of demolition contract costs were recouped (approximately \$143,000). In 2006, net boarding and demolition costs combined (inclusive of all costs in Table D-9) totaled \$753,361.

Property maintenance costs: grass mowing and trash removal

Dayton's Vacant Land Management office is located within the Division of Street Maintenance in the Department of Public Works. The office provides basic maintenance, including mowing and trash removal, for lots neglected and/or abandoned by property owners. Whenever possible, costs for this service, including all mowing and trash removal costs, are billed to property owners, either through direct billing or as assessments to property taxes, at a rate of \$225.00 per service.

In October 2007, Vacant Land Management provided a list of all parcels currently serviced by the office—a total of 5,894 unique parcels. The total operating budget for the office in 2007 was \$787,100. The amount of funds recouped from assessments to property owners are not tracked by the Vacant Land Management office (nor, at the time of this report, from other city sources); therefore, total costs incurred by the City of Dayton for grass mowing and trash removal at vacant and abandoned properties was assumed by CRP to be the total operating budget for the Vacant Land Management office.

Police services

In November 2007, CRP submitted a list of vacant building addresses to the Dayton Police Department. Because Dayton's vacant building inventory consisted of 3,821 structures, it was considered too large to submit in its entirety. CRP pared down the list, first by selecting all single family residential structures identified as either "vacant and boarded" or "too damaged to board" by Dayton housing inspectors during the city's biennial property condition survey. This resulted in 931 addresses. The list was further reduced by cross matching those 931 addresses to the city's nuisance structure list, and selecting only the residences that appeared in both datasets. It was the resulting list, comprising 183 addresses, that was ultimately submitted to the Dayton Police Department.

The Police Department was asked to identify which of these addresses had one or more calls for police service in 2006. Of the 183 total addresses, 31 had one call for police service, and 23 had two or more calls (54 total). The total number of calls across all addresses was 134. The total number of officers who responded to these calls was 201.

Police Department staff indicated that the nature of the calls to these properties varied. Of the most common were calls related to breaking and entering, calls for police assistance, theft, trespass, burglary, drugs, disturbance, open doors or windows, and disorderly persons. The most common call (approximately 13% of the 134 calls) was for breaking and entering.

The salary of a Dayton Police Officer ranged between \$21.82 and \$25.60 per hour in 2006. CRP assumed the average police officer's salary to be the midpoint of this range, or

\$23.71. The average amount of time spent by an officer responding to each of the 134 calls described above was 31 minutes, meaning that the estimated personnel (i.e. salary) cost of one officer responding to one call was \$12.25. Because 201 officers actually responded to 134 calls (1.5 officers per call), CRP estimates the average personnel cost per response as \$18.38 (Table D-10).

Based on the information Dayton's Police Department provided on the 183-address sample of vacant residential structures, Table D-10 provides a profile of estimated police service calls to all vacant residential structures in the city. The estimates assume that roughly 30% of all vacant residences (1,032 addresses) receive, on average, 2.48 service calls per address (2,557 total calls), to which an average of 1.5 officers respond (3,835 total officers). The average time spent on each call remains the same, at 31 minutes, as does the estimated personnel cost per police department response. The estimated cumulative personnel cost in 2006 was \$46,998.

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Table D-10. Dayton Police Service Calls to Vacant and Abandoned Residential Addresses, 2006

	SAMPLE VACANT RESIDENTIAL ADDRESSES	ESTIMATED TOTAL VACANT RESIDENTIAL ADDRESSES
Total vacant residential addresses	183 (1)	3,439 (2)
Addresses with one or more calls for police service	54	1,032
Total calls to these addresses	134	2,557
Police officers who responded to these calls	201	3,835
Average time per response	31 minutes	31 minutes
Estimated personnel cost per police department response (1.5 officers responding)	\$18.38	\$18.38
Estimated total police personnel cost	\$2,463	\$46,998

- (1) Derived from all single family, residential structures that were included in Dayton's nuisance structure database, and that were also identified as "vacant and boarded" or "too damaged to board" through Dayton's biennial property conditions survey
- (2) Derived from property type, as determined by the land use code assigned by code enforcement officers at the time of Dayton's biennial property conditions survey (see Table D-7). In includes all single family, 2-unit, and 3+ unit residences.

Fire services

Although the 3,821 vacant and abandoned buildings tracked by the city in 2007 make up only 6.5% of all structures in Dayton, they represented 13.9% of all structure fires over a 12-month period. According to data provided by Ohio's Division of State Fire Marshal, 617 structure fires occurred in Dayton from January 2006 to December 2006 (Table D-11). Of this total, 86 (13.9%) occurred in the vacant and abandoned structures (of any land use type) identified for this study. Fifty-seven fires occurred in vacant residential structures (representing 13.8% of all residential fires). The estimated municipal cost associated with the fires ranges from \$285,000 (residential only) to \$430,000 (all vacant structures).

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Table D-11. Fire Incidents in Dayton, January 2006-December 2006

	NUMBER OF STRUCTURES	NUMBER OF FIRES	VACANT STRUCTURE FIRES AS % OF ALL STRUCTURE FIRES	ESTIMATED CITY COST OF VACANT STRUCTURE FIRES (1)
Structures of any land use type (citywide)	59,170	617		
Vacant and abandoned structures of any land use type	3,821	86	13.9%	\$430,000
Residential structures (citywide)	51,541	413		
Vacant and abandoned residential structures only	3,439 (2)	57	13.8%	\$285,000

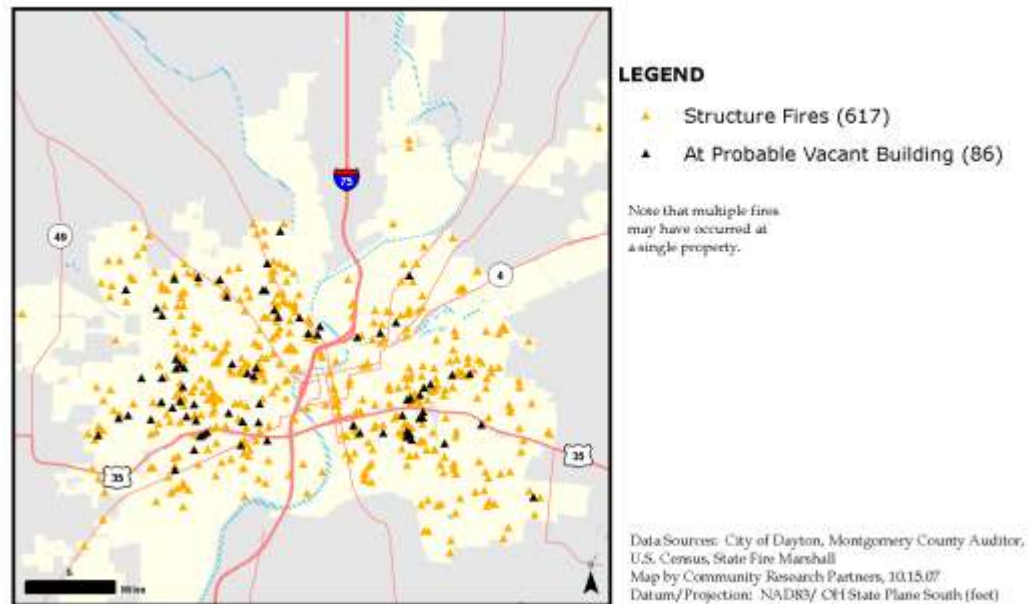
Source: Montgomery County Auditor; City of Dayton Department of Building Services ; Ohio Department of Commerce, Division of State Fire Marshal

- (1) Costs estimated at \$5,000 per fire incident, based on 2005 data collected by the Cincinnati Department of Buildings and Inspection for the Vacant Buildings Maintenance License Code program. Assumes that one-third of fire runs are for larger fires and two-thirds are for smaller fires.
- (2) See Table D-7; residential property type is determined by the land use code assigned by code enforcement officers at the time of the vacant property survey (as opposed to land use assigned in the auditor's database).

Map D-3 identifies the location of:

- Building fires in Dayton from January-December 2006
- Building fires in structures currently identified as vacant , or in structures demolished in 2006

Map D-3. City of Dayton, Structure Fires, Jan 2006 - Dec 2006



Lost tax revenue

Vacant and abandoned properties directly reduce property tax collections in two ways. First, there is tax loss to the city when the building on a property is demolished, reducing its property value and tax assessment. Second, the city loses tax revenue from delinquent, unpaid taxes on these properties. These losses impact all jurisdictions that receive property tax revenues: the county, city, school districts, and special taxing districts.

Tax loss due to demolition

CRP estimates that the property tax loss from the demolition of primary residential structures in Dayton was \$89,535 in 2006. This is an average of \$705 per structure for 127 residential structures demolished by the city in 2006.

To estimate the property tax loss, CRP analyzed the assessed building values for all residential properties (1,467 properties) within a single census tract in Dayton where the concentration of vacant structures was highest (census tract 39113003900). In this tract, the median assessed building value for tax year 2006 was \$13,250, which CRP assumed to be representative of any house demolished under the city's nuisance abatement authority. The estimated tax loss incurred by demolishing a house of this value would be \$705 annually. This figure was derived by multiplying the assessed building value by a sample effective tax rate within the tract (0.05318, or 53.18 mills).²

Tax loss due to delinquency of vacant and abandoned properties

The Dayton inventory of 3,821 vacant and abandoned buildings was matched with Montgomery County Auditor data to determine the amount of current tax delinquency (through 2006) for these properties. Of this total, 1,080 (28.3%) were tax delinquent, with a total delinquency of \$2,985,642 (Table D-12).

Because many vacant and abandoned lots were not able to be matched with county auditor data, the calculation of tax delinquency for these lots was based on the average for all vacant residential lots citywide. Auditor data included 2,054 vacant, tax delinquent residential parcels (without buildings) in Dayton in 2006, with a total delinquency of \$5,853,514, and an average of \$2,850 per parcel. This average was applied to Dayton's estimated inventory of 1,996 vacant and abandoned lots, for an estimated 2006 delinquency of \$5,688,225 (Table D-12).

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Table D-12. Property Tax Delinquent Properties, Dayton, 2006

PARCEL TYPE	NUMBER OF PARCELS		AMOUNT OF TAX DELINQUENCY, 2006
Vacant and abandoned buildings that were property tax-delinquent in 2006 (1)	1,080	815 single-family 214 multi-unit 51 commercial/other	\$2,985,642
Vacant and abandoned lots estimated delinquency 2006	1,996		\$5,688,225
Total delinquency			\$8,673,867

Source: Montgomery County Auditor

(1) County Auditor's property identifier could not be matched for 92 of the 3,821 buildings identified in Dayton's inventory; for these 92 buildings, delinquency status is unknown.

² A mill is one tenth of a cent and is equivalent to \$1 of tax per \$1,000 of taxable value.

Summary of Costs of Vacant and Abandoned Property

CRP estimates that vacant and abandoned properties cost the City of Dayton and other taxing jurisdictions at least \$12,415,056 in 2006. This includes direct city costs related to these properties, as well as foregone tax collections (Table D-13).

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Table D-13. Summary of Estimated Local Government Costs of Vacant and Abandoned Properties, Dayton, 2006-2007

TYPE OF COST	DESCRIPTION	TOTAL LOCAL GOVERNMENT COST	AVERAGE COST PER VACANT/ABANDONED PROPERTY (1)
<i>Proportion of Housing Inspection operating budget directed toward vacant and abandoned properties</i>	44 full-time staff salaries Benefits Operating costs	\$1,722,879	NA
Demolition (2006)	158 structures 134 primary structures 24 secondary structures Contract costs only	\$716,278	\$4,533
Boarding (2006)	658 incidents	\$115,399	\$175
Grass and Trash (2007)	5,894 parcels	\$787,100	\$133
Police services (2006)	2,557 calls @ \$18.38 per response	\$46,998	\$18.38
Fire services (any land use type) (2006)	86 fires @ \$5,000 per response	\$430,000	\$5,000
Property tax loss from demolition (2006)	(Median assessed value) x (effective tax rate) x (127 residential structures)	\$89,535	\$705
Property tax loss from delinquency (2006)	1,078 vacant and abandoned buildings 1,996 vacant and abandoned lots	\$8,673,867	\$2,770 per building \$2,850 per lot
TOTAL COSTS		\$12,582,056	
TOTAL COSTS RECOUPED	Assumes \$24,000 in boarding costs and \$143,000 in demolition contract costs recouped	(\$167,000)	
TOTAL NET COSTS		\$12,415,056	

(1) Calculated by CRP

4.01d. Perspectives on Vacant and Abandoned Properties in Dayton

In the process of collecting and analyzing quantitative data on the incidence of and costs associated with vacant and abandoned properties in Dayton, CRP staff communicated frequently with city staff via telephone and email. CRP staff visited Dayton in August 2007 and met with Mike Dugan, Acting Housing Inspection Manager, and John Carter, Housing Inspector. Mr. Dugan and Mr. Carter also took CRP staff on a driving tour of the city. The following summary reflects the perspectives of these local officials, shared informally with CRP staff, as well as observations of CRP staff, about how Dayton is addressing vacant and abandoned properties and their impact on the community.

Addressing vacant and abandoned properties

Citywide vacant building inventory

Dayton systematically inventories and tracks all vacant buildings in the city. In 2006/2007, the citywide property condition survey that resulted in the city's Blue Book and vacant building inventory, required the effort of about 23 housing inspectors working in the field for about three months (November to January). Data were then aggregated and published later in the year. Armed with recent, citywide knowledge of the magnitude of Dayton's vacant and abandoned problem, the city is able to target code enforcement efforts and resources on areas of the city where abatement or demolition can spur neighborhood revitalization.

Stepping up demolition

Demolition has been newly prioritized as an effective means of addressing vacant and abandoned buildings and thinning segments of Dayton's more outdated, obsolete housing stock. Data from 2002 to 2004 show that during that period, demolition activity was limited to between 45 and 65 buildings per year. In 2005, efforts were stepped up and 111 buildings were demolished. In 2006, an even stronger push resulted in 158 structures being demolished. Staff reports the goal for 2007 is 300 buildings.

Making contacts

John Carter is a Housing Inspector for the City of Dayton who has devoted a great deal of time and attention over the last three years to creating and continually updating a list of state and national contacts within the banking and mortgage industry. The contacts are primarily within REO, foreclosure, and property preservation departments. Mr. Carter and his fellow housing inspectors rely on this list (which contained some 500 contacts in August 2007) when a foreclosed property becomes a nuisance and there is a need to locate an owner or responsible party to assume maintenance of that property. According to housing inspection staff, making these contacts has resulted in significant cost savings for both the Department of Building Services and the Vacant Land Management office within the Department of Public Works. In 2006, Vacant Land Management reported saving over \$45,000 in mowing and cleanup activities at vacant

and abandoned properties. In the third quarter of 2007, Buildings Services reported a savings of nearly \$33,000 in boarding and securing costs.

Impacts of vacant and abandoned properties

Uncut grass and weeds, litter and trash

The Center for Urban and Public Affairs at Wright State University conducted a survey of Dayton residents in 2005/2006 to assess their satisfaction with the city as a place to live. With respect to neighborhood services, maintenance, and cleanliness, more than one-third (38.4%) indicated dissatisfaction with vacant lot maintenance, and when asked to elaborate, cited uncut grass and weeds, and litter and trash as primary reasons for their dissatisfaction.

New demolition policy

According to Housing Inspection staff, about 10 years ago there was a perception among City Commission members that the Division was tearing down too many buildings, and that the focus of city efforts should be on securing and rehabilitating vacant and abandoned structures. In neighborhoods where the extent of vacancy was too large, or where the cost to restore properties was too prohibitive, this approach did not have the desired revitalizing effect that city officials hoped for. Since then, staff report that the pendulum has swung the other way, and today the Dayton City Commissioners support and adequately fund a more aggressive demolition policy, as evidenced by the dramatic increase in demolition activity in the last two years.

4.02 Ironton Summary



In June 2007, Ironton's vacant and abandoned properties inventory included 77 buildings, identified through Ironton Building Department records, and 83 lots, identified through Lawrence County Auditor data—160 properties overall. It is estimated that vacant and abandoned properties cost the city over \$273,000 in city services and foregone property tax collections from 2006 to 2007.

4.02a. Ironton Profile

The City of Ironton, located in Lawrence County in southern Ohio, had an estimated 2006 population of 11,416, a 10.5% decrease from the 1990 population of 12,751. In 2006 there were 4,233 residential properties in Ironton; Census 2000 identified 5,514 housing units in the city. In 1999, the median home value for owner-occupied homes in Ironton was \$63,500. Thirty-seven percent of homes in Ironton were built prior to 1940, while 7.2% of housing units have been built since 1980.

4.02b. Incidence of Vacant and Abandoned Properties

- **How the city identifies vacant and abandoned properties.** Ironton's Building Department is housed within the office of a single full-time employee who acts as both building inspector and code enforcement officer for the city. The Code Enforcement Officer identifies vacant and abandoned properties with the limited means at his disposal, which includes complaints from city residents, and referrals from Fire, Police, and Health Department officials. The Building Department's database, which is used to enter inspection and notification activity, appears to be very limited in its tracking and reporting capabilities.
- **Vacant buildings.** There are 77 buildings in Ironton identified as vacant and abandoned, based on city records in June 2007. This includes 12 buildings on the city's pending demolition list for 2007, 14 buildings designated as unsafe/public nuisance buildings, 20 buildings that are condemned due to unresolved emergency repair orders, and 31 buildings with multiple outstanding repair violations.
- **Vacant land.** Included in Ironton's vacant and abandoned property inventory are 83 vacant lots, identified through County Auditor data as tax delinquent in 2006.

4.02c. Local government costs of vacant and abandoned properties

From 2006 to 2007, the City of Ironton and other local taxing districts are estimated to have incurred a total of over \$273,072 in costs as a result of vacant and abandoned properties. This includes:

- **Direct municipal cost.** \$69,078 for code enforcement staff and operating costs, demolition, grass cutting, trash removal, and fire services
- **Lost tax revenue.** \$203,994 in property tax loss from building demolition and delinquency

4.02d. Perspectives on Vacant and Abandoned Properties in Ironton

- **How the city addresses vacant and abandoned properties.** In the absence of sufficient funding, staff, and database technology, the Code Enforcement Officer does what he can to address vacant and abandoned properties by communicating with property owners (when they can be found), and trying to persuade them to abate their nuisance properties. The effectiveness of this approach may be lessened by the city's preference for not using the courts to prosecute owners for property maintenance code violations.
- **Impacts of vacancy and abandonment.** There are many visibly substandard residences in Ironton which, from outside appearances, seem to be vacant but are actually occupied. The city appears to struggle as much (if not more) with occupied blighted properties as it does with vacant and abandoned properties. Limited city staff capacity means that only the "worst of the worst" properties are addressed with any degree of immediacy. Other vacant and abandoned properties may remain a blighting influence on neighborhoods for long periods of time. Vacant and abandoned properties may, however, present an opportunity for redevelopment and new development in Ironton, which is essentially landlocked by the Ohio River and steep hills.

4.02a. Ironton Profile

Demographic and economic profile

The City of Ironton is the county seat of Lawrence County, in southern Ohio. The city's estimated 2006 population was 11,416, a 10.5% drop from the 1990 population of 12,751. In 2000, Ironton had a slightly larger minority population than Lawrence County, but Ohio's minority population was proportionately higher than both the city and the county. Ironton's poverty and unemployment rates were both higher than the county's, and median household income was lower (Table I-1). Lawrence County's largest industry sectors in 2007 were: state and local government; retail, health care and social assistance; and construction (Ohio Department of Development, Ohio County Indicators).

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Table I-1. Demographic Characteristics: Ironton, Lawrence County and Ohio

	IRONTON	LAWRENCE COUNTY	OHIO
Estimated population, 2006	11,416	63,179	11,478,006
Total population, 2000	11,211	62,319	11,353,140
Percent white	93.3%	96.5%	85.0%
Percent non-white (1)	6.7%	3.5%	15.0%
Median household income, 1999	\$23,585	\$29,127	\$40,956
Poverty rate, 1999	23.1%	18.9%	10.6%
Unemployment rate, 2000	10.7%	8.5%	5.0%

Source: U.S. Census Bureau: Annual Population Estimates; Census 2000 Summary File 1 and 3

(1) Non-white includes Census categories: Black or African American alone; American Indian and Alaska Native alone; Asian alone; Native Hawaiian and Other Pacific Islander alone; some other race alone; and two or more races

Housing profile

This section includes data on the composition and characteristics of the Ironton housing stock from two data sources. The Lawrence County Auditor records data on residential property types (Table I-2). Each property, no matter how many units, is counted once. The U.S. Census counts each housing unit within a residential building (Table I-3). In 2006 there were 4,233 residential properties in Ironton; Census 2000 identified 5,514 housing units in the city.

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Table I-2. Ironton Residential Property Types, Lawrence County Auditor Records, 2006

TOTAL PROPERTIES	SINGLE-FAMILY	2 TO 3-UNITS	4+ UNITS	OTHER (1)
4,233	3,963	203	48	16

Source: Lawrence County Auditor

(1) "Other" includes residential condominiums, commercial-residential mixed use properties, etc.

Housing cost and age of housing stock

In 1999, the median home value for owner-occupied homes in Ironton (\$63,500) was somewhat lower than the Lawrence County median (\$69,400). Median gross rents in Ironton were also lower than the county figure (\$378 versus \$421).

The housing stock in Ironton is fairly old, with 36.6% of homes built prior to 1940, compared to 15.2% in Lawrence County. Only 7.2% of housing units in Ironton have been built since 1980, compared to 29.3% in Lawrence County.

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Table I-3. Age of Housing Stock, Ironton, Ohio, 2000

YEAR BUILT	HOUSING UNITS	
1939 or earlier	2,019	36.6%
1940-1959	1,638	29.7%
1960-1979	1,460	26.5%
1980-1989	235	4.3%
1990-2000	162	2.9%
Total	5,514	100.0%

Source: U.S. Census Bureau, Census 2000 Summary File 3

Housing tenure

In 2000, more than half of all housing units in Ironton were owner-occupied (56.1%), and the city's overall housing vacancy rate was 10.9% (Table I-4). Vacant housing is categorized by the U.S. Census according to the reason for vacancy, such as being for sale, rent, or for seasonal use. Vacant housing units that cannot be classified in one of these categories are included in an "other vacant" category.

In 2000, the census identified a total of 601 vacant housing units in Ironton, with 305 units in the "other vacant" category. This was an increase over the 192 units in this category in 1990, and nearly four times the number of vacant and abandoned buildings (77) identified by CRP using city code enforcement records. It can be assumed that vacant and abandoned housing (those not for sale or rent), as defined for this study, is for the most part captured in this "other" category, but because address-level census data are not available, this cannot be verified.

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Table I-4. Housing Tenure: Ironton, Lawrence County and Ohio, 2000

	IRONTON		LAWRENCE COUNTY		OHIO	
	1990	2000	1990	2000	1990	2000
Total Housing Units	5,720	5,507	24,788	27,189	4,371,945	4,783,051
Owner occupied	56.1%	56.1%	66.7%	68.0%	63.1%	64.2%
Renter occupied	36.6%	32.9%	25.7%	22.9%	30.4%	28.7%
Vacant	7.3%	10.9%	7.6%	9.0%	6.5%	7.1%
Vacant for rent	114	178	434	711	108,117	125,095
Vacant for sale only	54	57	261	317	37,628	48,404
Vacant rented or sold, not occupied	46	36	185	161	32,961	33,182
Seasonal, recreational, or occasional use	10	22	173	242	37,324	47,239
Migrant worker units	0	3	2	3	4,57	355
Other vacant	192	305	834	1,023	67,912	83,003
Total vacant	416	601	1,889	2,457	284,399	337,278

Source: U.S. Census Bureau, Census 1990 and 2000 Summary File 1

4.02b. Ironton: Incidence of Vacant and Abandoned Properties

Vacant and abandoned buildings

CRP determined that data from the Ironton Building Department provided the most reliable documentation of the number of vacant and abandoned buildings in the city. In June 2007, city Code Enforcement records identified 77 buildings that most closely met the definition of vacant and abandoned established for this study. This includes 12 buildings on the city's pending demolition list for 2007, 14 buildings designated as unsafe/public nuisance buildings, 20 buildings that were condemned due to unresolved emergency repair orders, and 31 buildings with multiple outstanding repair violations. Of Ironton's total inventory, 48 buildings were identified through Lawrence County Auditor data as residential.

City of Ironton method for tracking vacant and abandoned buildings

Ironton's Building Department is essentially housed within the office of a single city employee, who acts as both Building Inspector and Code Enforcement Officer for the city. To this individual falls responsibility for issuing all building permits, conducting building inspections, enforcing property maintenance codes, and addressing resident complaints and neighborhood blight.

In light of this workload, Ironton's Code Enforcement Officer is able to devote approximately 25% of his work week to addressing blighted, public nuisance properties. In this capacity, he responds to complaints from neighbors or tenants, or to information provided by local officials and agencies about nuisance properties. While there is some degree of communication and coordination around problem properties among code enforcement and other municipal departments such as Police, Fire, and Health, there is no formal requirement or timeframe to inform the Code Enforcement Officer of abandoned structures.

There is also no formal process by which vacant and abandoned buildings are designated as such through routine code enforcement tracking. Additionally, the database that code enforcement uses to track inspection and notice of violation activities is DOS-based, has limited capabilities for running queries, and limited data fields with details about specific properties. At best, CRP was able to obtain data on "active" (and even this term does not necessarily mean "unresolved" – see below) cases described in Table I-5, as of June 2007.



Boarded houses in Ironton

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Table I-5. Ironton Code Enforcement Case Types

CASE TYPE	DESCRIPTION
Order to Demolish	The building is so old, dilapidated, or has become so out of repair as to be dangerous, unsafe, unsanitary, or otherwise unfit for human habitation. Unless the structure can be made safe and sanitary, it is ordered to be demolished.
Order to Condemn	The building or equipment within the building is unsafe, unfit for human habitation, or unlawful
Order to make Emergency Repairs	Repairs necessary to protect the health, safety, and welfare of the public and/or occupants of a structure that are not serious enough to call for condemnation, but if not corrected promptly will result in condemnation.

Source: City of Ironton Building Department

CRP included the following in the calculation of vacant and abandoned buildings in Ironton:

- **Buildings listed on the city’s pending demolition list for 2007.** These are buildings for which demolition notices have been sent and city dollars have been secured for demolition (12 buildings).
- **Buildings identified by code enforcement as unsafe or a public nuisance, as of June 2007.** These are buildings for which code enforcement identified a need for demolition, pending the mayor’s approval, appropriate notice to property owners, and available funding (14 buildings).
- **Buildings condemned due to unresolved emergency repair violations, as of June 2007.** In the event that property owners disregard or do not respond to these emergency orders, the building may proceed to demolition (20 buildings).
- **Other buildings, not included in the previous three categories, but which met certain criteria.** These were building listed among “active” cases in the code enforcement database, which had either: a) more than one outstanding emergency repair violation; b) one outstanding emergency repair violation coupled with multiple (more than 6) other property maintenance code violations; or c) no emergency repair violations, but a large number (10 or more) of other property maintenance code violations (31 buildings).

An important caveat to this final category of buildings is that an “active” case is one that has not been closed out of the Building Department’s database. Ironton’s Code Enforcement Officer could not determine—without sifting through paper records of building permit applications—whether a building included in this category already had repairs made to it or had been privately demolished. Although CRP was careful to include only buildings whose history of maintenance violations indicated a pattern of disrepair and neglect, it is possible that a portion of the buildings identified through this method are either occupied, or no longer standing.

Of the 77 total buildings identified as vacant and abandoned through the methodology described above, 48 are known to be residential, based on Lawrence County Auditor data.

Vacant land

Although Ironton's City Health Department responds to nuisance complaints about overgrown grass or weeds on property, the department does not maintain a mowing list or a list of known vacant and abandoned lots in Ironton. Unlike the other cities in this study, the department responds to complaints on a case-by-case basis, and does not routinely mow any specific group of properties.

Without a source of readily available data on vacant lots that incur costs for the city, CRP turned to Lawrence County Auditor data to estimate the incidence of vacant and abandoned lots in Ironton. To capture lots that also impose some cost on local government, CRP defined a vacant lot in Ironton as one that was tax delinquent in 2006, with a delinquency amount equal to or greater than the annual property tax assessment for the lot. This methodology identified a total of 83 lots (78 residential lots and 5 commercial/industrial lots).

Location of vacant and abandoned properties in Ironton

Map I-1 identifies the location of:

- Buildings that are to be demolished, have been condemned, or have been identified as unsafe/public nuisance structures as of June 2007
- Buildings that have multiple outstanding emergency repair violations
- Vacant lots where demolition occurred in 2006

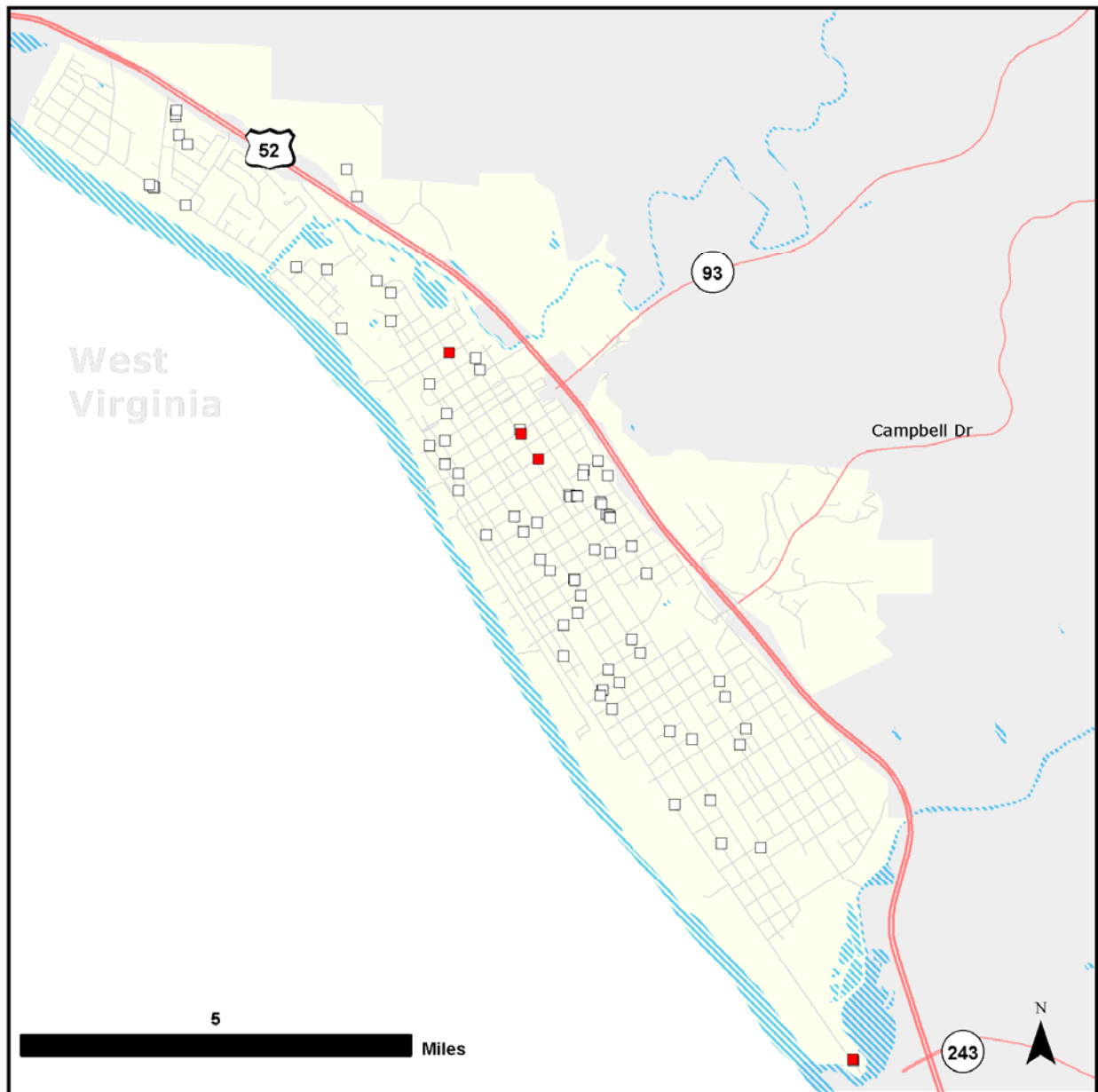
The map suggests that the highest concentration of vacant and abandoned buildings is located near the center of the city.

Note: The location of vacant lots identified through County Auditor data could not be mapped because CRP was not able to obtain a parcel shape file for the City of Ironton.



Vacant lots in Ironton

Map I-1. City of Ironton, Vacancy and Demolition



LEGEND

- Demolished in 2006 (4)
- Probable Vacant Buildings (77)
- Incorporated Areas in White

Map Notes:

Probable vacant buildings include those properties with unresolved emergency repair violations or on the city's lists of nuisance properties, condemned properties, and pending demolitions.

Sufficient data was not available to map vacant lots.

Data Sources: City of Ironton, Lawrence County Auditor,
U.S. Census (TIGER 2006 ed.2)
Map by Community Research Partners, 10.10.07
Datum/Projection: NAD83/ OH State Plane South (feet)

4.02c. Ironton: Local Government Costs of Vacant and Abandoned Properties

Sources of data on local government costs

The data sources identified in Table I-6 were used to calculate the local government costs and impacts of vacant and abandoned property in Ironton. In most cases, these data sources have provided CRP with costs for calendar 2006, and are therefore not specific to the 77 buildings or the 83 lots identified in Ironton's current inventory of vacant and abandoned properties. However, these data do provide the best picture available, within the parameters of this research, of the costs to local government of vacant and abandoned buildings and lots in the City of Ironton.

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Table I-6. Sources of Data on Ironton Local Government Costs

DEPARTMENT OR DATA SOURCE	DATA DESCRIPTION OR TYPE
City Building Department	<ul style="list-style-type: none">• Code enforcement database property lists (department-generated lists for CRP)
City Health Department	<ul style="list-style-type: none">• Records of all weed and trash nuisance complaints and assessments, 2007
Lawrence County Auditor	<ul style="list-style-type: none">• Estimated tax loss from demolition, derived from assessed residential building values (CRP calculation)• Estimated tax delinquency (CRP calculation)
Ohio Department of Commerce, Division of State Fire Marshal	<ul style="list-style-type: none">• Fire incidents in Ironton, 2006 and 2007

Direct costs to local government

Direct local government costs are those costs borne by the city to enforce city codes related to property maintenance; to secure, maintain, and/or demolish vacant and abandoned property; and to provide police and fire service to vacant and abandoned properties. CRP estimates that from 2006 to 2007 the City of Ironton's total direct costs to address vacant and abandoned properties totaled \$69,078.

Code Enforcement operating costs

The City of Ironton's Building Department is staffed by a single Building Inspector/Code Enforcement Officer and one administrative assistant who splits her time between Building and Engineering Department duties. The Code Enforcement Officer is responsible for issuing all building permits (including new construction, alteration and repair, zoning, and demolition), conducting buildings inspections, enforcing property maintenance codes, and addressing resident complaints and neighborhood blight. The total operating budget for the Building Department in 2007 is approximately \$68,890 (one-third of the larger Engineering Department budget), including salaries, fringe benefits, and all operating costs. The Code Enforcement Officer is paid \$18.00 per hour.

The Code Enforcement Officer estimates that he spends from 20- 25% of his work week on code enforcement related activities overall, and of that time, about 60% (or 15% of his time overall) is spent addressing vacant and abandoned properties specifically. Applying this estimate to the Building Department's budget, CRP estimates that approximately \$10,333 of code enforcement dollars are directed toward addressing vacant and abandoned properties in Ironton.

Boarding costs

The City of Ironton does not expend any city money to board or otherwise secure a vacant and abandoned building. Instead, the Code Enforcement Officer contacts property owners, and when necessary, issues orders to compel owners to secure and repair their properties in order to bring them into compliance with applicable property maintenance codes.

Demolition costs

City-funded demolition has historically been limited to whatever portion of CDBG grant funds is earmarked for demolition by Ironton City Council. In recent years, that has ranged from \$22,000-\$60,000 annually. In 2006, it was \$22,185, which funded a total of four demolitions. In 2007, for the first time in the Code Enforcement Officer's recent memory, City Council appropriated \$25,000 of the city's General Fund to augment the CDBG allotment of \$35,000, providing a total of \$60,000 for demolition. In June 2007, 12 buildings in Ironton were slated for demolition.

The Ironton/Lawrence County Area Community Action Agency has responsibility for administering demolition contracts. In general, demolition bids are based on the set of prioritized demolition properties for that year. Buildings that have experienced severe fire damage are targeted for demolition first, and additional projects are rank ordered according to the public safety hazard they pose. Depending on the scope and scale of each demolition project, the cost per demolition ranges between \$1,000 and \$6,500. On average, the cost is about \$3,500 per demolition.

It has only been within the last two years that Ironton has sought to recoup demolition costs by assessing owners' property taxes. Because the first assessment was issued in the 2006 tax year, historical data were not available on the portion of demolition costs that the city recoups.

Property maintenance costs: grass mowing and trash removal

Ironton's City Health Department is responsible for maintaining grass and clearing refuse at properties that have received nuisance complaints. Property owners are assessed the costs of maintenance activities according to the schedule outlined in Table I-7.

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**Table I-7. Maintenance Costs Billed to Property Owners,
Ironton City Health Department, 2007**

MAINTENANCE ACTIVITY	COST PER VIOLATION
Mowing less than 1 full sized lot	\$30
Mowing 1 full size lot	\$50
Mowing 1 ½ lots	\$75
Mowing 1 double lot	\$100
Mowing grass between 8 and 12 inches high	Additional \$50
Mowing grass between 13 and 16 inches high	Additional \$75
Mowing grass 17 inches and higher	Additional \$100
Use of city truck to remove trash (one load)	\$60
Additional loads	\$75 each
Bulk pick-up items	\$25 each
Tire removal	\$10 per tire
Use of city front loader or dump truck	\$75 per hour
Failure to comply with a written notice to abate	\$25 fine

Source: City of Ironton Health Department

From January–October 2007, the Ironton City Health Department issued a total of 107 notices of violation to property owners for a weed violation, trash violation, or both. During this period, the department assessed, in separate incidents, 33 property owners for maintenance costs that the department incurred as a result of weeds or trash violations. The total assessed for weeds violations (31 violations) was \$4,355; the average charge per violation was \$140. The total assessed for trash violations (13 violations) was \$2,225; the average charge per violation was \$171. Additionally, 29 property owners were charged a \$25 fine for failing to comply with a written notice to abate (\$725)¹. These figures apply to notices of violations and fines for both occupied and vacant properties.

Police services

Ironton's Police Department does not currently maintain a database or any electronic reporting system that tracks police service calls to specific addresses. For this reason, the department could not provide CRP with any statistics on service calls to potential vacant and abandoned properties.

The Department is in the process of implementing the Ohio Incident-Based Reporting System (OIBRS), which is a voluntary crime reporting program that law enforcement agencies use to submit crime statistics directly to the state and federal government in an automated format. The system is expected to be fully implemented in January 2008, at which time new police reports and other documentation will be entered, but historical data will remain in paper files only.

¹ The costs reported in this section were provided to CRP in October 2007 and are derived from individual assessment forms that were sent to property owners from Ironton's City Health Department. Upon reviewing a draft of this section in November 2007, the health department reported that total assessed costs in 2007 were approximately \$13,000, but did not provide clarification on the breakout of these costs or what the source of the discrepancy might be.

Fire services

Although the 77 vacant and abandoned buildings tracked by the city in 2007 make up only 1.7% of all structures in Ironton, they represented 15.0% of all structure fires (of any land use type) over a 20-month period (Table I-8; Map L-2). According to data provided by Ohio's Division of State Fire Marshal, 40 structure fires occurred in Ironton from January 2006 to August 2007. Of this total, six fires occurred in a vacant and abandoned structure identified for this study, all of which are residential (representing 19.4% of all residential fires). The estimated municipal cost associated with the fires is \$30,000.

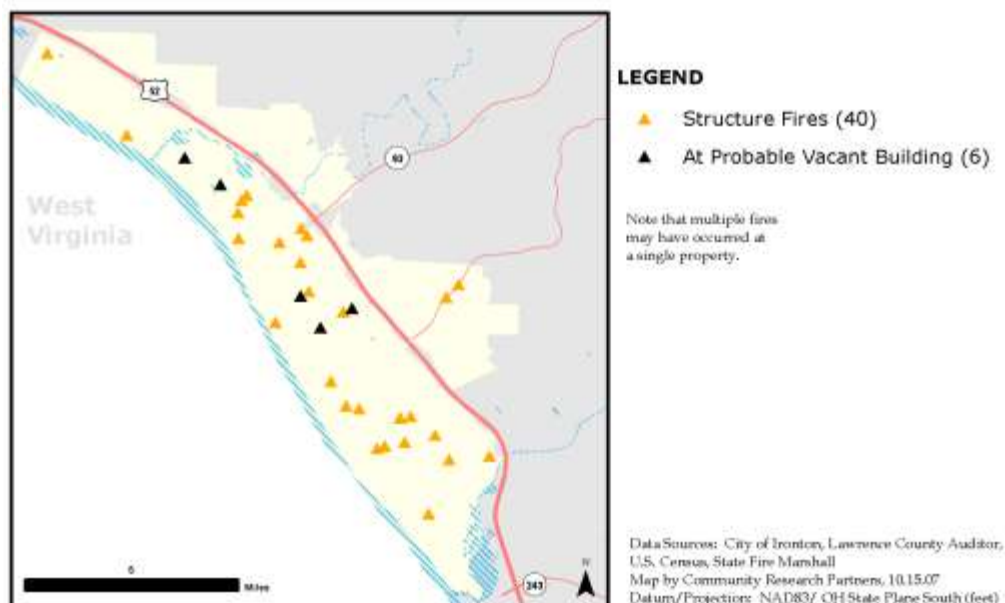
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Table I-8. Fire Incidents in Ironton, January 2006-August 2007

	NUMBER OF STRUCTURES	NUMBER OF FIRES	VACANT STRUCTURE FIRES AS % OF ALL STRUCTURE FIRES	ESTIMATED CITY COST OF VACANT STRUCTURE FIRES (1)
Structures of any land use type (citywide)	4,562	40		
Vacant and abandoned structures of any land use type	77	6	15.0%	\$30,000
Residential structures (citywide)	4,233	31		
Vacant and abandoned residential structures only	48 (2)	6	19.4%	\$30,000

Source: Lawrence County Auditor; Ohio Department of Commerce, Division of State Fire Marshal

- (1) Costs estimated at \$5,000 per fire incident, based on 2005 data collected by the Cincinnati Department of Buildings and Inspection for the Vacant Buildings Maintenance License Code program. Assumes that one-third of fire runs are for larger fires and two-thirds are for smaller fires.
- (2) Out of 77 total buildings identified as vacant and abandoned for this study, 48 had auditor-assigned residential land use codes, but 14 had no assigned code. For these 14, it is not known whether the building is residential.

Map I-2. City of Ironton, Structure Fires, Jan 2006 - Aug 2007



Lost tax revenue

Vacant and abandoned properties directly reduce property tax collections in two ways. First, there is tax loss to the city when the building on a property is demolished, reducing its property value and tax assessment. Second, the city loses tax revenue from delinquent, unpaid taxes on these properties. These losses impact all jurisdictions that receive property tax revenues: the county, city, school districts, and special taxing districts.

Tax loss due to demolition

CRP estimates that the property tax loss from the demolition of residential structures in Ironton was \$2,060 in 2006. This is an average of \$515 per structure for the four structures demolished by the city.

To estimate the property tax loss, CRP analyzed the assessed building values for all residential properties (755 properties) within a single census tract in Ironton where the incidence of demolition activity was highest in 2006 (census tract 39087050300). In this tract, the median assessed building value for tax year 2006 was \$12,580, which CRP assumed to be representative of any house demolished under the city's nuisance abatement authority. The estimated tax loss incurred by demolishing a house of this value would be \$515 annually. This figure was derived by multiplying the assessed building value by the effective tax rate in the tract (0.04092, or 40.92 mills).²

Tax loss due to delinquency of vacant and abandoned properties

The Ironton inventory of 77 vacant and abandoned buildings was matched with Lawrence County Auditor data to determine the amount of current tax delinquency (through 2006) for these properties. Of this total, 19 (24.7%) were tax delinquent, with a total delinquency of \$31,982 (Table I-9).

Because many vacant and abandoned lots were not able to be matched with county auditor data, the calculation of tax delinquency for these lots was based on the average for all vacant residential lots citywide. Auditor data included 108 vacant, tax delinquent residential parcels (without buildings) in Ironton in 2006, with a total delinquency of \$221,143, and an average of \$2,048 per parcel. This average was applied to Ironton's estimated inventory of 83 vacant and abandoned lots, for an estimated 2006 delinquency of \$169,952 (Table I-9).

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Table I-9. Property Tax Delinquent Properties, Ironton, 2006

PARCEL TYPE	NUMBER OF PARCELS		AMOUNT OF TAX DELINQUENCY, 2006
Vacant and abandoned buildings that were property tax-delinquent in 2006 (1)	19	17 single-family 1 apartment 1 restaurant	\$31,982
Vacant and abandoned lots estimated delinquency 2006	83		\$169,952
Total delinquency			\$201,934

Source: Lawrence County Auditor

(1) County Auditor property identifiers could not be matched for 15 of the 77 vacant and abandoned buildings identified in Ironton's inventory; for these 15 buildings, delinquency status is not known.

² A mill is one tenth of a cent and is equivalent to \$1 of tax per \$1,000 of taxable value

Summary of Costs of Vacant and Abandoned Property

CRP estimates that vacant and abandoned properties cost the City of Ironton and other taxing jurisdictions at least \$273,072 in 2006. This includes direct and indirect city costs related to these properties, as well as foregone tax collections (Table I-10).

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Table I-10. Summary of Estimated Local Government Costs of Vacant and Abandoned Properties, Ironton, 2006-2007

TYPE OF COST	DESCRIPTION	TOTAL LOCAL GOVERNMENT COST (2)	AVERAGE COST PER VACANT/ABANDONED PROPERTY (1)
<i>Proportion of Code Enforcement operating budget directed toward vacant and abandoned properties</i>	1 full-time salary Benefits Operating costs	\$10,333	NA
Demolition (2006)	4 residential structures	\$22,185	\$5,546
Boarding	City does not fund boarding	\$0	\$0
Grass (2007)	31 violations assessed in 2007 to date (October 2007)	\$4,335	\$140
Trash (2007)	11 violations assessed in 2007 to date (October 2007)	\$2,225	\$164
Police services	Data not available	--	--
Fire services (January 2006-August 2007)	6 fires @ \$5,000 per response	\$30,000	\$5,000
Property tax loss from demolition (2006)	(Median assessed value) x (effective tax rate) x (4 structures)	\$2,060	\$515
Property tax loss from delinquency (2006)	19 vacant and abandoned buildings 83 vacant lots	\$201,934	\$1,683 per building \$2,048 per lot
TOTAL COSTS EXPENDED		\$273,072	
TOTAL COSTS RECOUPED	Assumes no costs recouped through billing or assessment	(\$0)	
TOTAL NET COSTS		\$273,072	

(1) Calculated by CRP

4.02d. Perspectives on Vacant and Abandoned Properties in Ironton

In the process of collecting and analyzing quantitative data on the incidence of and costs associated with vacant and abandoned properties in Ironton, CRP staff communicated frequently with city staff via telephone and email. CRP staff visited Ironton in June 2007 and met with Karl Wentz, Building and Code Enforcement Officer for the City of Ironton, and Cindy Anderson, Director of the Ironton/Lawrence County Area Community Action Organization and former Director of Finance for the City of Ironton. Ms. Anderson also took CRP staff on a driving tour of the city. The following summary reflects perspectives of local officials, shared informally with CRP, and observations of CRP staff, about how Ironton is addressing vacant and abandoned properties and their impact on the community.

Addressing vacant and abandoned properties

Very limited staff capacity

Ironton's code enforcement program is essentially run by one person. From his perspective, one of the biggest impediments to addressing vacant and abandoned properties in Ironton is that the city does not fund property maintenance and code enforcement activities as a full-time, 40-hour per week position.

Preference for not using the courts

In the absence of ideal funding, staff, and database technology, code enforcement appears to do what it can to address vacant and abandoned properties in Ironton. The Code Enforcement Officer spends a great deal of time tracking down and talking to property owners and trying to persuade them to make repairs or to demolish buildings when necessary. The effectiveness of these efforts may be lessened, however, by an inability to prosecute property owners for code violations. Although Ironton's Property Maintenance Code provides the Code Enforcement Officer with the authority to prosecute property owners for code violations, the city has never taken a property owner to court. Staff cites staff time and budget constraints across city departments, along with a self-described preference for "badgering rather than prosecuting" owners to take the initiative to bring properties up to code.

Attempt to form city blight committee

At one time, Ironton's mayor organized an informal "slum and blight committee" comprising the Code Enforcement Officer, and the city's police chief, fire chief, health commissioner, and public works director. This committee was to meet on a monthly basis to compare notes and prioritize strategies for addressing blighted properties across the city. Unfortunately the committee met only twice before disbanding.

Demolition can spur revitalization

Demolition is perceived at times to be a revitalizing influence in and of itself. Following a demolition, Code Enforcement staff reports that property owners on the same street begin to reinvest in their neighborhood and make more of an effort to maintain the appearance of their own homes.

Impacts of vacant and abandoned properties

Widespread city and neighborhood blight

During the driving tour of Ironton, CRP staff observed many visibly substandard houses which, from outside appearances seemed to be vacant, but were actually occupied. The city's Code Enforcement Officer estimated that 8-10% of all properties in Ironton are blighted, including many located in the R-3 zoned section of town where building densities are higher and houses are smaller. The Code Enforcement Officer also estimated that roughly one-third of residences are rental properties, and that these buildings are where the bulk of property maintenance code violations occur. Ironton's issue, therefore, may be more about blighted structures generally, than about vacant and abandoned structures specifically.

Long-term impact

Because Ironton's code enforcement program is largely the responsibility of one person, who can spend only a small portion of his time addressing vacant and abandoned properties, only the "worst of the worst" properties are addressed with any degree of immediacy. Other vacant and abandoned properties may remain a blighting influence on neighborhoods for long periods of time.

Opportunity for redevelopment

Sites for new home construction and outward expansion are limited by Ironton's geography. The city has a long, narrow geography, and is bounded on the southwest by the Ohio River and on the northwest by steep hills. Therefore, reuse and redevelopment of vacant and abandoned properties can provide opportunities for new development that might otherwise not be available.

4.03 Lima Summary



In April 2007, Lima's vacant and abandoned properties inventory included 501 buildings and 263 vacant lots—764 properties overall—that were identified through Department of Community Development records. These are concentrated in southeast Lima, south of Elm Street. It is estimated that in 2006 vacant and abandoned properties cost over \$1.86 million in city services and foregone property tax collections.

4.03a. Lima Profile

The City of Lima, located in Allen County, had an estimated 2006 population of 38,219, a 16.1% drop from its 1990 population of 45,549. In 2006 there were 12,735 residential properties in Lima; and Census 2000 identified 17,668 housing units in the city. Thirty-four percent of homes were built prior to 1940, while 9.2% have been built since 1980.

4.03b. Incidence of vacant and abandoned properties

- **How the city identifies vacant and abandoned properties.** Vacant and abandoned buildings are primarily tracked through the Department of Community Development's Property Maintenance and Code Enforcement Program database (PM database). The PM database is complaint-based and maintains address-level and aggregate records of complaints that result in code enforcement orders, categorized by vacancy type. The three vacancy types are: "vacant" (structure has been empty for six or fewer months); "abandoned" (structure has been empty for more than six months); and "lot" (parcel with no structure). The Department of Public Works also maintains records of all demolition-priority structures in the city.
- **Vacant buildings.** There are 501 buildings in Lima identified as vacant and abandoned, based on city records provided in June and October of 2007. This includes 71 buildings identified as demolition priorities by the Department of Public Works, and 430 buildings categorized as either "vacant" or "abandoned" in the Department of Community Development's PM database.
- **Vacant land.** Included in Lima's total inventory of vacant and abandoned properties are 263 vacant lots for which the city has assumed responsibility for mowing and maintenance. These are lots the city has added to its Specified Parcels program, which tracks parcels the city mows at least three times in one year due to unresponsive property owners who have neglected to maintain these lots.

4.03c. Local government costs of vacant and abandoned properties

In 2006, the City of Lima and other local taxing districts are estimated to have incurred a total of \$1,855,038 in costs as a result of vacant and abandoned properties. This includes:

- **Direct municipal cost.** \$452,210 for code enforcement staff and operating costs, demolition and boarding, grass cutting, trash removal, and police and fire services
- **Lost tax revenue.** \$1,402,828 in property tax loss from building demolition and tax delinquency

4.03d. Perspectives on Vacant and Abandoned Properties in Lima

- **How the city addresses vacant and abandoned properties.** The city pursues demolition within the limits of available staff, time, and resources (20-40 structures per year). However, the annual need for demolition may be two or three times these figures. A priority of the Department of Community Development is to increase the number of properties identified as eligible for demolition under Lima's "dangerous structure" ordinance. Lima's Property Maintenance Code includes penalties if buildings remain boarded for more than six months. The city also operates the Lima Land Acquisition and Neighborhood Development (LAND) bank to encourage productive reuse of vacant lots.
- **Impacts of vacancy and abandonment.** City staff notes that high rates of vacancy and abandonment may negatively impact a neighborhood by leading to increased abandonment and blight, deferred maintenance, and the conversion of owner occupied structures to rental units. Vacancy may also lead to a rise in speculative investment practices and absentee ownership. Census data that report high housing vacancy rates has hurt Lima's competitiveness in applications for the state Low-Income Housing Tax Credit allocation to develop new affordable rental housing.

4.03a. Lima Profile

Demographic and economic profile

The City of Lima is the county seat of Allen County, in northwest Ohio. The city's estimated 2006 population was 38,219, a 16.1% drop from the 1990 population of 45,549. In 2000, Lima had a proportionately larger minority population than Allen County or Ohio, as well as higher poverty and unemployment rates, and a lower median household income (Table L-1). Allen County's largest industry sectors in 2007 were: manufacturing; retail; health care and social assistance; and state and local government (Ohio Department of Development, Ohio County Profiles).

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Table L-1. Demographic Characteristics: Lima, Allen County and Ohio

	LIMA	ALLEN COUNTY	OHIO
Estimated population, 2006	38,219	105,788	11,478,006
Total population, 2000	40,081	108,473	11,353,140
Percent white	69.3%	84.9%	85.0%
Percent non-white (1)	30.7%	15.1%	15.0%
Median household income, 1999	\$27,067	\$37,048	\$40,956
Poverty rate, 1999	22.7%	12.1%	10.6%
Unemployment rate, 2000	9.4%	5.7%	5.0%

Source: U.S. Census Bureau: Annual Population Estimates; Census 2000 Summary File 1 and 3

(1) Non-white includes Census categories: Black or African American alone; American Indian and Alaska Native alone; Asian alone; Native Hawaiian and Other Pacific Islander alone; some other race alone; and two or more races

Housing profile

This section includes data on the composition and character of the Lima housing stock from two data sources. The Allen County Auditor records data on residential property types (Table L-2). Each property, no matter how many units, is counted once. The U.S. Census counts each housing unit within a residential building (Table L-3). In 2006 there were 12,735 residential properties in Lima; and Census 2000 identified 17,668 housing units in the city.

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Table L-2. Lima Residential Property Types, Allen County Auditor Records, 2006

TOTAL PROPERTIES	SINGLE-FAMILY	2 TO 3-UNITS	4+ UNITS	OTHER (1)
12,735	11,456	965	295	19

Source: Allen County Auditor

(1) "Other" includes residential condominiums, commercial-residential mixed use properties, etc.

Housing cost and age of housing stock

In 1999, the median home value for owner-occupied homes in Lima (\$55,500) was well below the county median (\$81,800). However, there was not as big a difference in median gross rents (\$426 for Lima; \$446 for the county).

The housing stock in Lima is fairly old, with 34.4% of homes built prior to 1940, compared to 24.0% in Allen County. Only 9.2% of housing units in Lima have been built since 1980, compared to 18.3% in Allen County.

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Table L-3. Age of Housing Stock, Lima, Ohio, 2000

YEAR BUILT	HOUSING UNITS	
1939 or earlier	6,072	34.4%
1940-1959	6,118	34.6%
1960-1979	3,859	21.8%
1980-1989	689	3.9%
1990-2000	930	5.3%
Total	17,668	100.0%

Source: U.S. Census Bureau, Census 2000 Summary File 3

Housing tenure

In 2000, nearly half of all housing units in Lima were owner-occupied (49.7%), and the city's overall housing vacancy rate was 12.6% (Table L-4). Vacant housing is categorized by the U.S. Census according to the reason for vacancy, such as being for sale, rent, or seasonal use. Vacant housing units that cannot be classified in one of these categories are included in an "other vacant" category.

In 2000, the census identified a total of 2,221 vacant housing units in Lima, with 717 units in the "other vacant" category. This was a decrease from the 853 units in this category in 1990. The 717 "other vacant" housing units is higher than the number of vacant and abandoned buildings (501) identified using city code enforcement records. It can be assumed that vacant and abandoned housing (those not for sale or rent), as defined for this study, is for the most part captured in this "other" category, but because address-level census data are not available, this cannot be verified.

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Table L-4. Housing Tenure: Lima, Allen County and Ohio, 2000

	LIMA		ALLEN COUNTY		OHIO	
	1990	2000	1990	2000	1990	2000
Total housing units	18,666	17,631	42,758	44,245	4,371,945	4,783,051
Owner occupied	51.6%	49.7%	66.1%	66.2%	63.1%	64.2%
Renter occupied	35.8%	37.7%	26.1%	25.7%	30.4%	28.7%
Vacant	12.6%	12.6%	7.8%	8.1%	6.5%	7.1%
Vacant for rent	1020	985	1325	1,447	108,117	125,095
Vacant for sale only	226	220	391	491	37,628	48,404
Vacant rented or sold, not occupied	222	228	383	396	32,961	33,182
Seasonal, recreational, or occasional use	34	71	103	184	37,324	47,239
Migrant worker units	0	0	0	1	4,57	355
Other vacant	853	717	1,148	1,080	67,912	83,003
Total vacant	2,355	2,221	3,350	3,599	284,399	337,278

Source: U.S. Census Bureau, Census 1990 and 2000 Summary File 1

4.03b. Lima: Incidence of Vacant and Abandoned Properties

Vacant and abandoned buildings

Data from the Lima Department of Community Development provided the most reliable documentation of the number of vacant and abandoned buildings in the city. In June 2007, Community Development records identified 501 structures that most closely met the definition of vacant and abandoned established for this study. This includes 71 buildings identified as demolition priorities, 91 buildings that had an occupancy status of “abandoned” in 2007, and 339 buildings that had an occupancy status of “vacant” in 2007. Of Lima’s total inventory, 467 buildings were identified through Allen County Auditor data as residential.

City of Lima method for tracking vacant and abandoned buildings

Responsibility for addressing vacant and abandoned properties in Lima resides primarily within the Property Maintenance Code Enforcement Division of the city’s Department of Community Development. Vacant and abandoned buildings are tracked through the city’s Property Maintenance and Code Enforcement Program database (PM database). The PM database includes address and aggregate-level records of complaints that result in code enforcement orders, categorized by vacancy type. There are three vacancy types: **vacant**—structures unoccupied for six or fewer months; **abandoned**—structures unoccupied for more than six months; and **lot**—parcels with no structures.

To estimate the number of vacant and abandoned buildings in Lima, CRP obtained a list of 71 buildings that had been identified through code enforcement processes as demolition priorities. The Division of Building and Zoning, within the Department of Public Works, maintains this list and oversees all demolition projects for the city. The 71 included 10 buildings slated for demolition with 2007 CDBG funds (as of June 2007), 10 buildings that will be demolished with the next round of CDBG funding, and 51 buildings that meet demolition eligibility criteria outlined in city codes, but for which demolition funding is not yet available.



Boarded houses in Lima

Additionally, CRP requested and obtained addresses for all properties entered into the PM database as “abandoned” or “vacant” from January 1-October 10, 2007. This identified an additional 430 unduplicated addresses (91 abandoned and 339 vacant). There are two caveats related to Lima’s PM database. First, due to reporting limitations of the database itself, it was not possible to determine how many of these 430 properties were active cases (“active” meaning the violation for which a property had been cited was not corrected). Second, the 430 addresses identified represent a snapshot in time of vacant and abandoned properties. It is likely that there are additional properties identified as abandoned or vacant prior to January 2007 that remain unoccupied. Without the ability to query all active cases within a specific time frame, CRP limited its analysis to 2007 cases only.

Of the 501 total buildings identified as vacant and abandoned through the methodology described above, 467 are known to be residential, based on Allen County Auditor data.

Vacant land

Data from Lima’s Department of Community Development were used to document the number of vacant lots in the city for which the city incurs ongoing service costs. Separate from the inventory of properties categorized as “lots” within the PM database, the department maintains records on vacant parcels that the city has had to mow due to unresponsive property owners who have neglected to maintain their properties.

When the city has to mow a parcel three or more times in a single year, the parcel is added to its Specified Parcels program. As of April 2007, there were 263 parcels in the Specified Parcels Program. The city hires contractors to mow the grass on these parcels once a month for six months of each year.



Specified Parcel notification



Specified Parcel vacant lot

Other sources of data on vacant lots

Allen County Auditor data and City of Lima building demolition data also provide information on the number of vacant land parcels in the city. However, as described below, there are limitations to using data from these sources to calculate the number of vacant lots for which the local government incurs costs:

- **Allen County Auditor data limitations.** Tax year 2006 data indicate that Lima has 2,175 vacant residential lots (28 of which are held by the city or county) and 431 vacant commercial/industrial lots (41 of which are under city or county ownership). There is no readily accessible data to determine which of these lots actually incur costs for the City of Lima.
- **City demolition data limitations.** In 2006, the City of Lima demolished a total of 27 buildings (data on the number of buildings demolished privately were not available), and as of June 2007 had demolished an additional 14 buildings. CRP obtained demolition history dating back to 1993, and on average, the city demolishes between 20 and 40 buildings every year. However, knowing that a property is a former demolition site does not necessarily mean the city incurs costs to maintain the site following demolition. In some cases, adjacent property owners purchase these lots to add acreage to their property (or simply begin to maintain the property without actually purchasing the land). In other cases, new development occurs on former demolition sites.

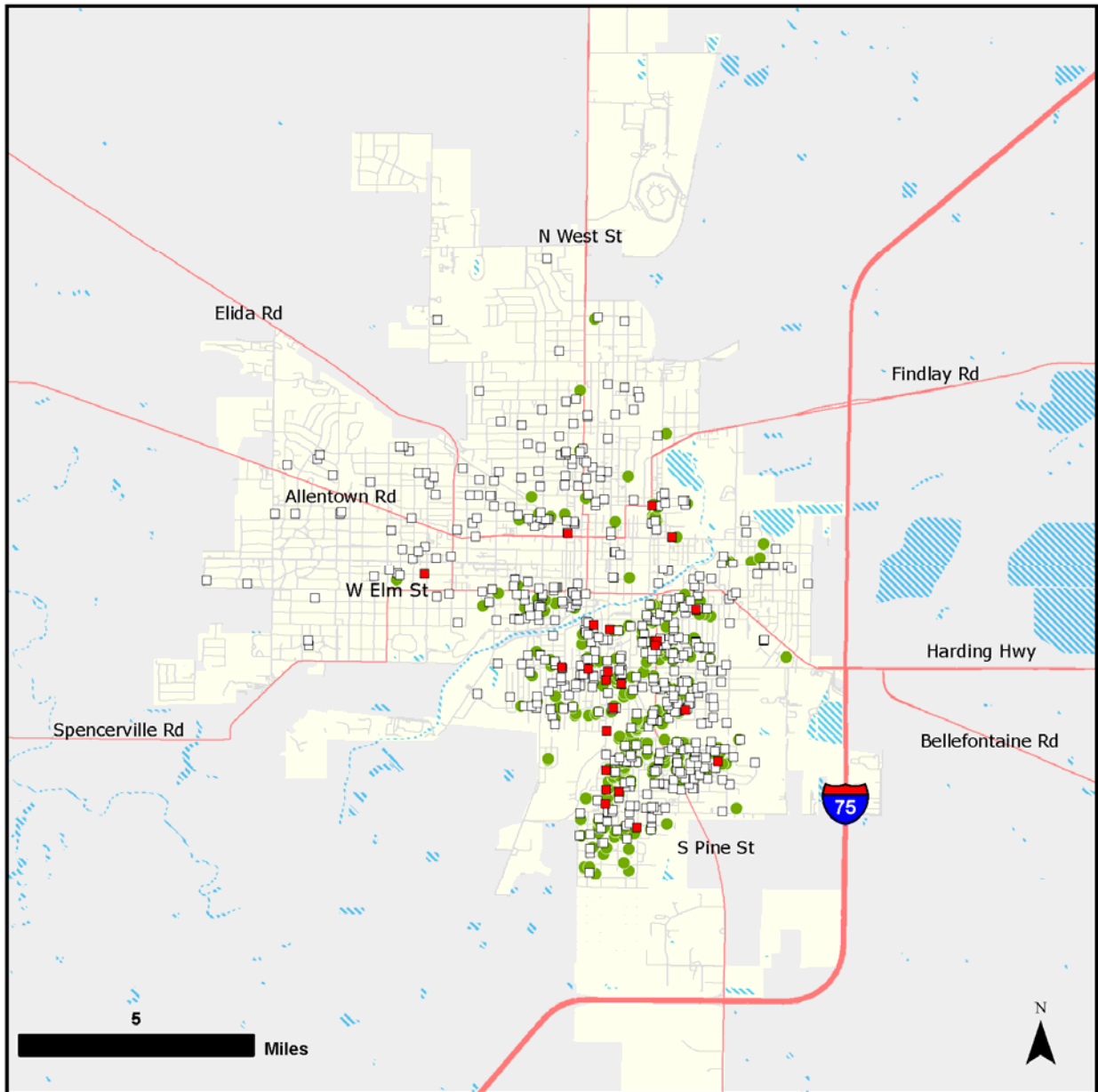
Location of vacant and abandoned properties in Lima

Map L-1 identifies the location of:

- Buildings identified as demolition priorities, as of June 2007
- Buildings identified as “abandoned” or “vacant” from January 1–October 10, 2007
- Vacant lots where demolition took place in 2006
- Specified Parcels that the city routinely mows in 2007

The map suggests that the bulk of Code Enforcement staff time is spent in the southern portion of the city, south of Elm Street.

Map L-1. City of Lima, Vacancy and Demolition



LEGEND

- Demolished in 2006 (27)
- Probable Vacant Buildings (501)
- Probable Vacant Lots (263)
- Incorporated Areas in White

Map Notes:

Probable vacant buildings include those properties on the city's list of properties meeting demolition eligibility criteria (April 2007) or indicated as vacant or abandoned (October 2007).

Probable vacant lots include those properties that Lima specified in April 2007 as requiring city mowing and maintenance.

Data Sources: City of Lima, Allen County Auditor,
U.S. Census (TIGER 2006 ed.2)
Map by Community Research Partners, 10.10.07
Datum/Projection: NAD83/ OH State Plane North (feet)

4.03c. Lima: Local Government Costs of Vacant and Abandoned Properties

Sources of data on local government costs

The data sources identified in Table L-5 were used to calculate the local government costs and impacts of vacant and abandoned property in Lima. In most cases, these data sources have provided total costs for an activity for calendar year 2006, and are not specific to the 501 buildings or 263 lots defined as vacant and abandoned for the purposes of this study. However, these data do provide the best picture available, within the parameters of this research, of the costs to local government of vacant and abandoned buildings and lots in the City of Lima.

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Table L-5. Sources of Data on Lima Local Government Costs

DEPARTMENT OR DATA SOURCE	DATA DESCRIPTION OR TYPE
City Department of Community Development	<ul style="list-style-type: none">• Transaction Charges by Occupancy Type (Vacant, Abandoned, or Lot), 2006 (department-generated report for CRP)• Complaint/Order Issued by Occupancy Type (Vacant, Abandoned, or Lot), 2006 (department-generated report for CRP)• Department of Community Development organizational chart and salary by position• Department of Community Development annual operating budget (provided to CRP over the phone)
City Department of Public Works, Building and Zoning Division	<ul style="list-style-type: none">• Demolition records, 2006
Allen County Auditor	<ul style="list-style-type: none">• Estimated tax loss from demolition, derived from assessed residential building values (CRP calculation)• Estimated tax delinquency (CRP calculation)
Ohio Department of Commerce, Division of State Fire Marshal	<ul style="list-style-type: none">• Fire incidents in Lima, 2006 and 2007
City Police Department	<ul style="list-style-type: none">• Service calls to potential vacant addresses, 2006

Direct costs to local government

Direct local government costs are those costs borne by the city to enforce city codes related to property maintenance; to secure, maintain, and/or demolish vacant and abandoned property; and to provide police and fire service to vacant and abandoned properties. CRP estimates that from 2006 to 2007, the City of Lima's total direct costs to address vacant and abandoned properties totaled \$579,392. Assuming a portion of these costs were or will be recouped, direct costs totaled \$452,210.

Tracking costs and assessments in Lima

Lima's property maintenance code requires that all direct costs incurred by the city for boarding, demolition, and property maintenance activities, as well as administrative costs associated with notices, inspection time, legal research, etc., be paid by property owners. Charges are first assessed by billing titled property owners directly. If not paid, special assessments are applied to owners' real property taxes, or other civil actions may be taken to collect the amounts owed.

Costs and charges are tracked using the same PM database that the Department of Community Development uses to enter property complaint and inspection data. Costs assessed to property owners in 2006 for specific code enforcement violations are categorized by vacancy status (vacant, abandoned, lot) and are reported in aggregate.

Code Enforcement operating costs

Within the Department of Community Development, the Property Maintenance Code Enforcement Division is staffed by the Director of Community Development (who oversees the operation of the entire department), a Neighborhood Support Manager, who reports to the Director, and up to five Property Maintenance Code Inspectors who report to the Neighborhood Support Manager. As of April 2007, the position of Neighborhood Support Manager was vacant. The total annual operating budget for the Code Enforcement Division for FY 2007 (October 2006–September 2007) was approximately \$500,000, which includes all salaries, operating expenses, and contract costs (boarding, grass cutting and trash removal only). The combined salaries of the five inspector positions, inclusive of benefits and longevity pay, totaled \$192,318 in 2007. The Director estimated that approximately 40% of her time is devoted to overseeing the Code Enforcement Division. Adding this portion of the Director's salary increases Code Enforcement salaries overall to \$219,981 in 2007. The Division is funded through a mixture of General Fund and CDBG moneys.

In 2006, Lima's Property Maintenance Code Enforcement Division issued a total of 6,018 property maintenance orders in response to maintenance complaints received and investigated. Of those, 2,003 (33.3%) were for properties that the Department of Community Development tracked by vacancy type as "vacant," "abandoned," or "lot" (Table L-6).

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Table L-6. Lima Property Maintenance Code Enforcement Division Activity, 2006

CASE TYPE	ORDER TYPE					
	BOARD DOWN	BOARD UP	REMOVE JUNK AUTO	REPAIR STRUCTURE	REMOVE TRASH	CUT WEEDS
Vacant Structure	37	253	14	124	463	591
Abandoned Structure	5	19	2	12	14	14
Vacant Lot	0	0	18	2	186	249
TOTAL	42	272	34	138	663	854

Source: City of Lima Department of Community Development

The Director of the Lima Department of Community Development estimated that about 50% of Property Maintenance Code Inspectors' time is devoted to inspecting, issuing orders, and tracking progress on vacant and abandoned properties. Another 25% is reportedly spent inspecting other properties, and 25% is spent on other duties, including land bank properties, demolition inspection, and administration. Based on this, CRP assumed that up to 50% of the Division's total operating budget is spent on addressing vacant and abandoned properties. Backing out estimated contractor costs for boarding, grass cutting, and trash removal (which are included in other cost categories described below), the annual figure is estimated to be about \$171,000 in 2006/2007.

Boarding costs

In 2006, Lima's Department of Community Development reported assessing (or billing) a total of \$19,851 for 138 boarding incidents at properties tracked as vacant or abandoned by the department, or an estimated \$144 per boarding incident. The total amount assessed reflects actual costs incurred by the city. It is important to note that Code Enforcement activity that occurred late in the year may not be assessed until early the following year; therefore, figures for 2006 may reflect some board-ups that occurred late in 2005. Similarly, some board-ups that occurred late in 2006 may have been assessed in 2007.

Demolition costs

According to demolition records provided by Lima's Department of Public Works, the city demolished a total of 27 buildings in 2006 at a total cost of \$130,849, or an average of \$4,846 per demolition.

Property maintenance costs: grass mowing

In 2006, the City of Lima assessed property owners a total of \$51,926 for mowing vacant and abandoned properties, or an average of \$88.16 per incident. City costs for grass mowing were based on 2006 assessments for grass mowing costs for 589 vacant and abandoned properties (Table L-7). This included: 1) 224 parcels on the Community Development Department's Specified Parcels list (lots that the city contracts to have mowed once a month for six months); and 2) 365 vacant and abandoned properties mowed by city staff when unresponsive property owners fail to do so.

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Table L-7. Lima Department of Community Development Grass-Mowing Assessments, 2006

CASE TYPE	NUMBER OF INCIDENTS	TOTAL ASSESSMENT (\$)	AVERAGE ASSESSMENT PER INCIDENT (\$)
Specified Parcels	224	11,609	52.06
Vacant Structure	269	29,530	109.78
Abandoned Structure	8	442	55.25
Vacant Lot	88	10,345	117.56
TOTAL	589	\$51,926	\$ 88.16

Source: City of Lima Department of Community Development

Property maintenance costs: trash removal

In 2006, the Community Development Department assessed a total of \$86,424 to clean up trash and remove auto tires 347 times at properties tracked as vacant or abandoned by the department. The average cost per trash clean-up was \$300.40 (\$85,313 for 284 incidents), and the average cost per tire removal was \$17.63 (\$1,111 for 63 incidents).

Recouping costs

Lima's property maintenance code requires that property owners pay for actual and administrative costs incurred by the city for abatement-related activities. Administrative fees range from \$104 and \$670, depending on the property owner's degree of responsiveness and compliance with Code Enforcement orders. In addition, a civil penalty of \$350 is applied to any property maintenance violation that is not corrected within the time period specified in the notice. If corrected within the time period specified, the penalty is reduced to \$50.

Table L-8 provides historical data on total assessments charged to property owners (for all properties, not just those tracked as vacant or abandoned structures, or vacant lots) and total payments received, either through direct billing or payments made to the Allen County Auditor. On average, from 2000-2006, 44% of assessed costs has been recouped annually by the city from property owners. Based on this, CRP assumes for the Lima cost analysis (see Table L-12) that 44% of assessed costs related to boarding, demolition, and property maintenance at vacant and abandoned properties are recouped.

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**Table L-8. Lima Department of Community Development Costs
Recouped, 2000-2006**

YEAR	CHARGES	PAYMENTS (1)	PERCENT RECOUPED
2000	\$436,407	\$170,906	39.2%
2001	\$286,806	\$144,628	50.4%
2002	\$339,060	\$152,180	44.9%
2003	\$264,740	\$199,934	75.5%
2004	\$435,381	\$173,725	39.9%
2005	\$575,702	\$179,519	31.2%
2006	\$784,570	\$232,495	29.6%

Source: City of Lima Department of Community Development

(1) Payment data reflect total payments received in a given calendar year, regardless of when the assessment was issued.

Police services

In October 2007, CRP asked the Lima Police Department to provide data on police service calls to the 71 addresses on the Division of Building and Zoning's demolition priority list (as of June 2007). The Police Department was asked to identify any of these addresses with at least one call for police service in 2006. Of the 71 addresses, 14 had one call for police service, and 18 had two or more calls (32 total addresses), with a total of 99 police calls.

Police Department staff indicated that the nature of the calls to these properties varied widely, and included suspicious persons or vehicles, drug activity, alarm responses, assaults, trespass, breaking and entering, loud music, juvenile curfew violations, and harassment complaints. The most common call (27.3% of the 99 calls) was for a disturbance.

To estimate a cost per-call, department staff randomly selected 10 calls from the 99 total calls, and determined that each call required an average of 45 minutes of staff time. The figure was multiplied by the average patrol officer's salary in 2006 (\$19.13 per hour), resulting in a personnel cost of \$14.35 per call. It was assumed that one police officer responded to each call.

Based on the information Lima's Police Department provided on the 71-address sample of vacant residential structures, Table L-9 provides a profile of estimated police service calls to all vacant residential structures in the city. The estimates assume that roughly 45% of all vacant residences (210 addresses) receive, on average, 3.1 service calls per address (651 total calls), to which an average of one officer responds (651 total officers). The average time spent on each call remains the same, at 45 minutes, as does the estimated personnel cost per police officer response. The estimated cumulative personnel cost in 2006 was \$9,342.

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Table L-9. Lima Police Service Calls to Vacant and Abandoned Residential Addresses, 2006

	SAMPLE VACANT RESIDENTIAL ADDRESSES	ESTIMATED TOTAL VACANT RESIDENTIAL ADDRESSES
Total vacant residential addresses	71 (1)	467 (2)
Addresses with one or more calls for police service	32	210
Total calls to these addresses	99	651
Police officers who responded to these calls	99	651
Average time per response	45 minutes	45 minutes
Estimated personnel cost per police officer response	\$14.35	\$14.35
Estimated total police personnel cost	\$1,421	\$9,342

(1) Derived from the Division of Building and Zoning's demolition priority list, as of June 2007

(2) Derived from Allen County Auditor data. Out of 501 total buildings identified as vacant and abandoned for this study, 467 had auditor-assigned residential land use codes, but 7 had no assigned code. For these 7, it is not known whether the building is residential.

Lima's Police Department also calculated a vehicle-use cost, based on the billable rate for off-duty use of a police vehicle (\$15 per hour). Assuming the same 45 minutes of staff time per call, the average vehicle use cost is \$11.25 per call, for a total of \$25.60 (personnel and vehicle costs) per call.

Fire services

Although the 501 vacant and abandoned buildings tracked by the city in 2007 make up only 3.4% of all structures in Lima, they represented 12.4% of all structure fires over a 20-month period (Table L-10; Map L-2). According to data provided by Ohio's Division of State Fire Marshal, 177 structure fires occurred in Lima from January 2006 to August 2007. Of this total, 22 fires (12.4%) occurred in the vacant and abandoned structures (of any land use type) identified for this study. Nineteen fires occurred in *vacant residential* structures (representing 12.5% of all residential fires). The estimated municipal cost associated with the fires ranges from \$95,000 (residential only) to \$110,000 (all vacant structures).

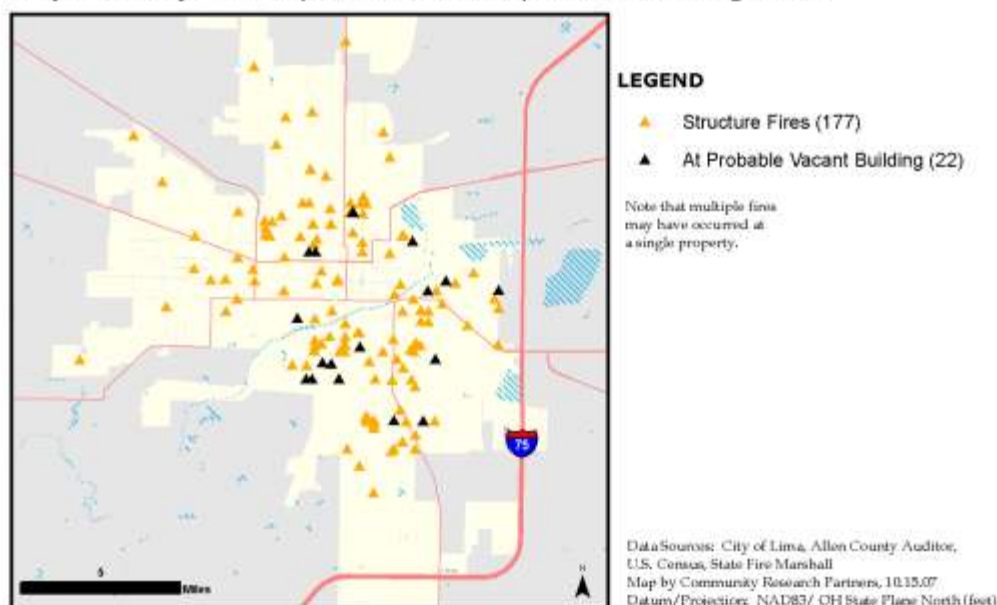
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Table L-10. Fire Incidents in Lima, January 2006-August 2007

	NUMBER OF STRUCTURES	NUMBER OF FIRES	VACANT STRUCTURE FIRES AS % OF ALL STRUCTURE FIRES	ESTIMATED CITY COST OF VACANT STRUCTURE FIRES (1)
Structures of any land use type (citywide)	14,548	177		
Vacant and abandoned structures of any land use type	501	22	12.4%	\$110,000
Residential structures (citywide)	12,735	152		
Vacant and abandoned residential structures only	467 (2)	19	12.5%	\$95,000

Source: Allen County Auditor; Ohio Department of Commerce, Division of State Fire Marshal

- (1) Costs estimated at \$5,000 per fire incident, based on 2005 data collected by the Cincinnati Department of Buildings and Inspection for the Vacant Buildings Maintenance License Code program. Assumes that one-third of fire runs are for larger fires and two-thirds are for smaller fires.
- (2) Out of 501 total buildings identified as vacant and abandoned for this study, 467 had auditor-assigned residential land use codes, but 7 had no assigned code. For these 7, it is not known whether the building is residential.

Map L-2. City of Lima, Structure Fires, Jan 2006 - Aug 2007



Foregone tax collections

Vacant and abandoned properties directly reduce property tax collections in two ways. First, there is tax loss to the city when the building on a property is demolished, reducing its property value and tax assessment. Second, the city loses tax revenue from delinquent, unpaid taxes on these properties. These losses impact all jurisdictions that receive property tax revenues: the county, city, school districts, and special taxing districts.

Property tax loss from demolition

CRP estimates that property tax loss from the demolition of primary residential structures in Lima was \$11,475 in 2006. This is an average of \$425 per structure for 27 structures demolished by the city (data on buildings demolished privately was not available).

To estimate the property tax loss, CRP analyzed the assessed building values for all residential properties (902 properties) within a single census tract in Lima where the incidence of demolition activity was highest in 2006 (census tract 39003013400). In this tract, the median assessed building value for tax year 2006 was \$9,809, which CRP assumed to be representative of any house demolished under the city's nuisance abatement authority. The estimated tax loss incurred by demolishing a house of this value would be \$425 annually. This figure was derived by multiplying the assessed building value by the effective tax rate in the tract (0.04329, or 43.29 mills). (A mill is one tenth of a cent and is equivalent to \$1 of tax per \$1,000 of taxable value.)

Tax loss due to delinquency of vacant and abandoned properties

The Lima inventory of 501 vacant and abandoned buildings was matched with Allen County Auditor data to determine the amount of current tax delinquency (through 2006) for these properties. Of this total, 222 (44.3%) were tax delinquent, with a total delinquency of \$664,928 (Table L-11).

Because many vacant and abandoned lots were not able to be matched with county auditor data, the calculation of tax delinquency for these lots was based on the average for all vacant residential lots citywide. Auditor data included 544 vacant, tax delinquent residential parcels (without buildings) in Lima in 2006, with a total delinquency of \$1,502,567, and an average of \$2,762 per parcel. This average was applied to Lima's estimated inventory of 263 vacant and abandoned lots, for an estimated 2006 delinquency of \$726,425 (Table L-11).

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Table L-11. Property Tax Delinquent Properties, Lima, 2006

PARCEL TYPE	NUMBER OF PARCELS		AMOUNT OF TAX DELINQUENCY (\$)
Vacant and abandoned buildings that were property tax-delinquent in 2006 (1)	222	165 single-family 32 multi-family 16 vacant land (2) 9 other	\$664,928
Vacant and abandoned lots estimated delinquency 2006	263		\$726,425
Total delinquency			\$1,391,353

Source: Allen County Auditor, 2006

- (1) County Auditor property identifiers could not be matched for 15 of the 501 vacant and abandoned buildings identified in Lima's inventory; for these 15 buildings, delinquency status is not known.
- (2) 16 properties identified as either demolition-priority, abandoned, or vacant are recorded in Allen County Auditor data as vacant land. The reason for this is not clear, but may be due to private demolition.

Summary of Costs of Vacant and Abandoned Property

CRP estimates that vacant and abandoned properties cost the City of Lima and other taxing jurisdictions at least \$1,855,038 in 2006. This includes direct city costs related to these properties, as well as foregone tax collections (Table L-12).

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Table L-12. Summary of Estimated Local Government Costs of Vacant and Abandoned Properties, Lima, 2006-2007

TYPE OF COST	DESCRIPTION	TOTAL LOCAL GOVERNMENT COST	AVERAGE COST PER VACANT/ ABANDONED PROPERTY (1)
<i>Proportion of Code Enforcement operating budget directed toward vacant and abandoned properties</i>	5 full-time staff salaries Benefits Operating costs	\$171,000	NA
Demolition (2006)	27 structures	\$130,849	\$4,846
Boarding (2006)	138 incidents	\$19,851	\$144
Grass (2006)	223 Specified Parcels locations (includes 6 cuts per year) 365 incidents at vacant, abandoned, or lot properties	\$51,926	\$88
Trash (2006)	286 clean-up incidents 63 tire removal incidents	\$86,424	\$300 per clean-up \$18 per tire
Police services (2006)	651 calls @ \$14.35 per response	\$9,342	\$14.35
Fire services (January 2006-August 2007)	22 fires @ \$5,000 per response	\$110,000	\$5,000
Property tax loss from demolition (2006)	(Median assessed value) x (effective tax rate) x (27 structures)	\$11,475	\$425
Property tax loss from delinquency (2006)	222 vacant and abandoned buildings 582 vacant and abandoned lots	\$1,391,353	\$2,995 per building \$2,762 per lot
ESTIMATED COSTS EXPENDED		\$1,982,220	
ESTIMATED COSTS RECOUPED	Assumes 44% of demolition, boarding, grass and trash costs are recouped	(\$127,182)	
ESTIMATED NET COSTS		\$1,855,038	

(1) Calculated by CRP

4.03d. Perspectives on Vacant and Abandoned Properties in Lima

In the process of collecting and analyzing quantitative data on the incidence of and costs associated with vacant and abandoned properties in Lima, CRP staff communicated frequently with city staff via telephone and email. In April 2007, CRP visited the community to meet with Amy Sackman Odum, Director of the Department of Community Development, and was given a driving tour of the city. The following summary reflects perspectives of local officials, shared informally with CRP, and observations of CRP staff, about how Lima is addressing vacant and abandoned properties and their impact on the community.

Addressing vacant and abandoned properties

Demolition of vacant structures

Demolition is a tool that Lima uses to address vacant structures, and within current staff and funding constraints, the city's Building and Zoning Division of the Department of Public Works is able to demolish an average of 20-40 structures per year. City staff reports, however, that the annual need for demolition is at least two to three times this amount. A priority of the Community Development Department for the coming year is to increase the number of properties identified as meeting the criteria of a "dangerous structure" contained in Lima's city ordinances. Even if funds are not immediately available for demolition, the "dangerous structure" classification mandates that the building be vacated, and also provides Community Development with a more accurate count of the number of vacant and abandoned buildings in Lima.

Land banking vacant lots

The Lima Land Acquisition and Neighborhood Development (LAND) bank seeks to acquire vacant lots and return them to productive uses. LAND was established through city ordinance in January 2000. As of September 2007, LAND had acquired a total of 81 parcels, with 29 parcels in the current inventory. Parcels must be tax delinquent for a minimum of two years to be eligible for LAND bank acquisition. Persons interested in purchasing property from the LAND bank must be current on their own property taxes, and may not have any property maintenance violations. Adjacent property owners may purchase land if they agree to combine the parcel with their current property to effectuate one tax parcel. Non-adjacent landowners may also purchase land for new construction if they can demonstrate financial ability, submit construction plans for approval, and commit to completing construction within two years.

Strict limits on boarded properties

Lima's Property Maintenance Code mandates that vacant structures that have been boarded, either by the city or an owner, may not remain boarded for a period longer than six months. Failure to comply with this requirement may result in a property owner being issued a "board down" notice of violation, which is subject to a civil penalty of \$350 if not corrected within the time period specified in the notice. Additional penalties may include a property owner being found guilty of a fourth degree misdemeanor. In 2006, Lima's property maintenance inspectors issue a total of 42 board-down orders on vacant and

abandoned properties. During the same year, 32 properties (76%) were brought into compliance with a board-down order, although it is not possible to verify if these 32 all received board-down orders in 2006 or if some received orders prior to 2006.

City staff perceives the requirement to repair or replace boarded opening within six months to be most effective with buildings that are becoming vacant for the first time. Property owners seem to realize that the city will not tolerate long-term vacancy and neglect of exterior maintenance. Issuing a board-down order to a long-term vacant and abandoned building, however, rarely results in compliance.

Property information database upgrade

The Property Maintenance database in use by the Department of Community Development was developed as proprietary software and is not easily manipulated or upgraded. The department is researching new database options. Ideally, the department would like a system that is integrated with GIS, that provides more search options, and that could be linked to data maintained by other city departments, including Public Works, Utilities, Fire, and Police. The department's Director considers a strong database as key to the city's ability to accurately count and track vacant and abandoned properties, second only to a house-to-house citywide assessment, which the department currently has neither the staff nor resources to conduct.

Impacts of vacant and abandoned properties

Neighborhood destabilization

According to an analysis of housing occupancy in Lima by McKenna Associates, included as part of Lima's Consolidated Plan for 2005-2009, the city's high rate of vacancy creates noticeable negative impacts on many of Lima's neighborhoods. These include abandonment, blight, deferred maintenance, and the conversion of owner occupied structures to rental units.

Speculative and absentee ownership

As neighborhoods trend toward destabilization, it is common in Lima for speculative investors to buy up properties and convert single-family structures into two or more rental units. According to McKenna Associates, this conversion has a negative impact on the vitality and desirability of neighborhoods in Lima, as absentee landlords often fail to properly maintain these units.

Low-Income Housing Tax Credits

Census 2000 data indicate that Lima's overall housing vacancy rate was 12.6% (2,221 vacant units). City staff reports that this high vacancy rate negatively affects the city's ability to qualify for Low-Income Housing Tax Credit financing allocated by the Ohio Housing Finance Agency (OHFA) for the construction of new affordable rental housing units. The OHFA Tax Credit allocation plan assumes that there is not a need for new rental housing units in communities with high vacancy rates. Lima's Director of Community Development points out, however, that a large proportion of those vacant units are not quality structures, and would not be suitable housing for any tenant, low income or otherwise.

Perpetuating this dilemma, city staff told CRP that because Lima is surrounded on all sides by townships that are wealthier and offer a higher standard of living than the city,

area residents who can afford to live in a township typically do. This results in a higher concentration of low-income households living within city limits. Census data indicate that Lima's median household income was 27 percentage points lower than the county's in 2000, and its poverty rate was nearly double the county rate.

Estimating vacancy and abandonment within the limits of available data

Lima's Director of Community Development believes that the 501 vacant and abandoned structures identified by CRP using the city's Property Maintenance database is well below the actual number of vacant and abandoned buildings in Lima, and that a more accurate figure ranges between 1,200 and 1,400 buildings. This discrepancy highlights the limitations of using a complaint-based database as a city's only system for tracking vacant and abandoned properties. If the Director's estimate is accurate, it means that for every vacant and abandoned property identified through code enforcement's complaint and investigation process, there are another 1-2 vacant and abandoned buildings not being tracked by the city.

4.04 Springfield Summary



In April 2007, Springfield's vacant and abandoned properties inventory included 141 buildings and 206 lots—347 properties overall—that were identified through Code Enforcement Division records. These are concentrated in the area of Springfield south of U.S. Route 40. It is estimated that in 2006 vacant and abandoned properties cost over \$1.14 million in city services and foregone property tax collections.

4.04a. Springfield Profile

The City of Springfield is located in Clark County in west central Ohio. In 2006, the city's estimated population was 62,844, a 10.8% drop from its 1990 population of 70,487. Clark County Auditor data recorded a total of 21,628 residential properties in the city in Springfield in 2006; Census 2000 data identified a total of 29,301 housing units. In 1999, the median home value for owner-occupied homes in Springfield was \$69,600. Thirty-seven percent of homes in Springfield were built prior to 1940, while 9.1% have been built since 1980.

4.04b. Incidence of vacant and abandoned properties

- **How the city identifies vacant and abandoned properties.** Responsibility for addressing residential and commercial vacant and abandoned properties resides within the Code Enforcement Division of the Springfield Department of Engineering and Planning. Vacant and abandoned properties are identified by responding to citizen complaints about nuisance properties. Data maintained by Code Enforcement are limited to properties for which a complaint has been received and an inspection conducted.
- **Vacant buildings.** There are 141 buildings in Springfield identified as vacant and abandoned, based on city records in April 2007. This includes 118 buildings with open and unresolved "repair or demolish" orders issued by Springfield's Division of Code Enforcement and 23 buildings that had been boarded by the city at that point in time, but had not advanced to the "repair or demolish" stage.
- **Vacant land.** Included in Springfield's total inventory of vacant and abandoned properties are 206 vacant lots for which the city has assumed responsibility for mowing and maintenance. These are lots where the owner has died, is disabled, or is not able to be located. This includes 16 sites where a building was demolished in 2006.

4.04c. Local government costs of vacant and abandoned properties

In 2006, the City of Springfield and other local taxing districts are estimated to have incurred a total of \$1,137,314 in costs as a result of vacant and abandoned properties. This includes:

- **Direct municipal cost.** \$558,450 for code enforcement staff and operating costs, demolition and boarding, grass cutting, trash removal, and police and fire services
- **Lost tax revenue.** \$578,864 in property tax loss from building demolition and delinquency

4.04d. Perspectives on Vacant and Abandoned Properties in Springfield

- **How the city addresses vacant and abandoned properties.** Demolition is the preferred means of addressing vacant and abandoned buildings in Springfield. This has reduced the number of boarded buildings requiring demolition, but has increased the number of undeveloped, vacant lots.
- **Impacts of vacancy and abandonment.** Perhaps due to the aggressiveness of the city's demolition program, code enforcement staff does not perceive that vacant and abandoned buildings have a strong blighting effect on the city. Staff notes that while city demolitions can encourage revitalization by nearby property owners, it can also alter the unique quality of neighborhoods. A problem reported by city staff is dumping of trash on vacant properties.

4.04a. Springfield Profile

Demographic and economic profile

The City of Springfield is the county seat of Clark County, in west central Ohio. The city's estimated 2006 population was 62,844, a 10.8% drop from the 1990 population of 70,487. In 2000, Springfield had a proportionately larger minority population than Clark County or Ohio, as well as higher poverty and unemployment rates, and a lower median household income (Table S-1). Clark County's largest industry sectors in 2007 were: health care and social assistance; manufacturing; retail; and state and local government (Ohio Department of Development, Ohio County Indicators).

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Table S-1. Demographic Characteristics: Springfield, Clark County and Ohio

	SPRINGFIELD	CLARK COUNTY	OHIO
Estimated population, 2006	62,844	141,872	11,478,006
Total population, 2000	65,358	144,742	11,353,140
Percent white	78.0%	88.1%	85.0%
Percent non-white (1)	22.0%	11.9%	15.0%
Median household income, 1999	\$32,193	\$40,340	\$40,956
Poverty rate, 1999	16.9%	10.7%	10.6%
Unemployment rate, 2000	8.6%	5.9%	5.0%

Source: U.S. Census Bureau: Annual Population Estimates; Census 2000 Summary File 1 and 3

(1) Non-white includes Census categories: Black or African American alone; American Indian and Alaska Native alone; Asian alone; Native Hawaiian and Other Pacific Islander alone; some other race alone; and two or more races

Housing profile

This section includes data on the composition and character of the Springfield housing stock from two data sources. The Clark County Auditor records data on residential property types (Table S-2). Each property, no matter how many units, is counted once. The U.S. Census counts each housing unit within a residential building (Table S-3). In 2006 there were 21,628 residential properties in Springfield; Census 2000 identified 29,301 housing units in the city.

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Table S-2. Springfield Residential Property Types, Clark County Auditor Records, 2006

TOTAL PROPERTIES	SINGLE-FAMILY	2 TO 3-UNITS	4+ UNITS	OTHER (1)
21,628	17,532	2,566	405	1,125

Source: Clark County Auditor

(1) "Other" includes residential condominiums, commercial-residential mixed use properties, etc. The Clark County Auditor appears to assign individual parcel identifiers to condominium properties in a way that differs from other cities in this study, resulting in Springfield's relatively high count on this housing type.

Housing cost and age of housing stock

In 1999, the median home value for owner-occupied homes in Springfield (\$69,600) was well below the county median (\$90,500). However, median gross rents were comparable (\$476 versus \$487).

The housing stock in Springfield is fairly old, with 36.8% of homes built prior to 1940, compared to 24.8% in Clark County. Only 9.1% of housing units in Springfield have been built since 1980, compared to 16.1% in Clark County.

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Table S-3. Age of Housing Stock, Springfield, Ohio, 2000

YEAR BUILT	HOUSING UNITS	
1939 or earlier	10,771	36.8%
1940-1959	9,292	31.7%
1960-1979	6,579	22.5%
1980-1989	1,319	4.5%
1990-2000	1,340	4.6%
Total	29,301	100.0%

Source: U.S. Census Bureau, Census 2000 Summary File 3

Housing tenure

In 2000, more than half of all housing units in Springfield were owner-occupied (51.2%), and the city's overall housing vacancy rate was 10.4% (Table S-4). Vacant housing is categorized by the U.S. Census according to the reason for vacancy, such as being for sale, rent, or seasonal use. Vacant housing units that cannot be classified in one of these categories are included in an "other vacant" category.

In 2000, the census identified a total of 3,055 vacant housing units in Springfield, with 996 units in the "other vacant" category. This was an increase over the 636 units in this category in 1990. The 996 "other vacant" housing units in the 2000 Census is more than seven times the number of vacant and abandoned buildings (141) identified using city code enforcement records. It can be assumed that vacant and abandoned housing (those not for sale or rent), as defined for this study, is for the most part captured in this "other" category, but because address-level census data are not available, this cannot be verified.

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Table S-4. Housing Tenure: Springfield, Clark County and Ohio, 2000

	SPRINGFIELD		CLARK COUNTY		OHIO	
	1990	2000	1990	2000	1990	2000
Total housing units	29,562	29,309	58,377	61,056	4,371,945	4,783,051
Owner occupied	51.4%	51.2%	65.4%	66.3%	63.1%	64.2%
Renter occupied	40.7%	38.4%	29.2%	26.4%	30.4%	28.7%
Vacant	7.8%	10.4%	5.4%	7.2%	6.5%	7.1%
Vacant for rent	1,108	1,350	1,338	1,657	108,117	125,095
Vacant for sale only	288	395	480	744	37,628	48,404
Vacant rented or sold, not occupied	217	210	347	369	32,961	33,182
Seasonal, recreational, or occasional use	65	103	145	226	37,324	47,239
Migrant worker units	1	1	2	3	4,57	355
Other vacant	636	996	867	1,409	67,912	83,003
Total vacant	2,315	3,055	3,179	4,408	284,399	337,278

Source: U.S. Census Bureau, Census 1990 and 2000 Summary File 1.

4.04b. Springfield: Incidence of Vacant and Abandoned Properties

Vacant and abandoned buildings

CRP determined that data from the Springfield Division of Code Enforcement provided the most reliable documentation of the number of vacant and abandoned buildings in the city. In April 2007, code enforcement records identified 141 buildings that most closely met the definition of vacant and abandoned established for this study. This includes 118 buildings with open and unresolved “repair or demolish” orders issued by the division and 23 buildings that had been boarded by the city at that point in time, but had not advanced to the “repair or demolish” stage. Of Springfield’s total inventory, 126 buildings were identified through Clark County Auditor data as residential.

City of Springfield method for tracking vacant and abandoned buildings

Responsibility for addressing residential and commercial vacant and abandoned properties in Springfield resides within the Code Enforcement Division of the city’s Department of Engineering and Planning. Code enforcement staff reports having neither the manpower nor resources necessary to conduct a citywide “sweep” for the purpose of documenting the status or condition of every property within its jurisdiction. Rather, the division is complaint-driven, meaning that staff responds to citizen complaints about nuisance properties. As a result, data available to CRP were limited to properties for which a complaint had been received and an inspection conducted.

Properties in code enforcement’s database are categorized by case type and by the primary governing code that defines and regulates each case type. The database can be queried by case type, individual address, case status, and time period, dating back at least 10 years. Database reports can be run in the aggregate (i.e., total number of properties) and listed at the address level.

There is no case type or formal process by which code enforcement documents a building as being vacant and abandoned, as that term has been defined for this study. To estimate the incidence of vacant and abandoned buildings, CRP collected address-level data on open cases as of April, 2007 of the types described in Table S-5.



House near Clifton Court, Springfield



Unsecured structure notice

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Table S-5. Springfield Code Enforcement Case Types

CASE TYPE	DESCRIPTION
Board and Secure	The building is vacant and needs to be secured; the city will board the building within 24 hours if the owner does not take action.
Boarded Structure	The building has been boarded and vacant for at least 90 days; the owner must elect to repair, sell, or demolish the building within a specified time, otherwise the city will issue Repair or Demolish orders.
Repair or Demolish	A Repair or Demolish order has been issued, authorizing the city to condemn the building and pursue demolition if the owner takes no further action.

Source: City of Springfield Code Enforcement Division

Using these parameters, CRP identified 23 buildings classified as Board and Secure or Boarded Structure, and 114 buildings with open Repair or Demolish orders, as of April 2007—141 total buildings. Of these, 121 are known to be residential, based on Clark County Auditor data.

Vacant land

Data from the Springfield Code Enforcement Division were also used to document the number of vacant lots in the city for which the city incurs ongoing service costs. Code enforcement records included 206 vacant lots for which the city has assumed responsibility for mowing and maintaining. These are lots where the owner has died, is disabled, or is not able to be located. This includes 16 sites where a building was demolished in 2006.



Former demolition sites in Springfield

Other sources of data on vacant land

Clark County Auditor data and City of Springfield building demolition data also provide information on the number of vacant parcels of land in the city. However, as described below, there are limitations to using data from these sources to calculate the number of vacant lots for which the local government incurs costs.

- **Clark County Auditor data limitations.** Tax year 2006 data indicate that Springfield has 3,203 vacant residential lots (41 of which are held by the city or county) and 1,367 vacant commercial/industrial lots (54 of which are under city or county ownership). There is no readily accessible data to determine which of these lots actually incur costs for the City of Springfield.
- **City demolition data limitations.** In 2006, the City of Springfield demolished a total of 97 buildings, and property owners demolished 9 buildings. Data from 1992 through 2006 indicates that the city has demolished a total of 729 buildings, and property owners have demolished 173 buildings. However, knowing that a property is a former demolition site does not necessarily mean the city incurs costs to maintain the site following demolition. In some cases, adjacent property owners purchase vacant lots to add acreage to their property (or simply begin to maintain the property without actually purchasing the land). In other cases, new development occurs on former demolition sites.

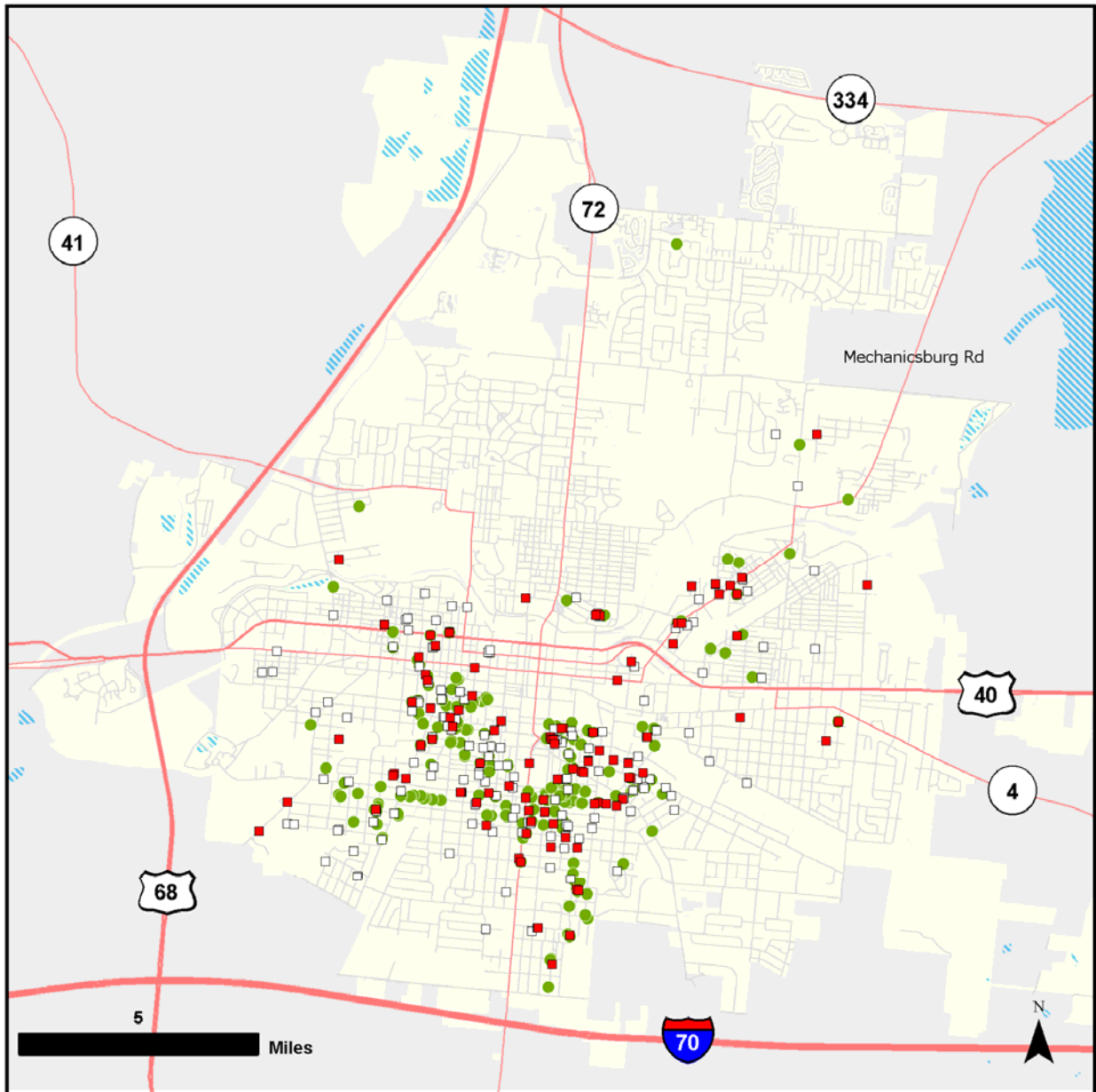
Location of vacant and abandoned properties in Springfield

Map S-1 identifies the location of:

- Buildings where open repair or demolish orders exist as of April 2007.
- Buildings currently boarded as of April 2007
- Vacant lots where demolition took place in 2006
- Vacant lots that code enforcement routinely mows in 2007

The map suggests that the bulk of code enforcement staff time is spent in the southern half of the city, south of Route 40.

Map S-1. City of Springfield, Vacancy and Demolition



LEGEND

- Demolished in 2006 (106)
- Probable Vacant Buildings (141)
- Probable Vacant Lots (206)
- Incorporated Areas in White

Data Sources: City of Springfield, Clark County Auditor,
U.S. Census (TIGER 2006 ed.2)
Map by Community Research Partners, 10.10.07
Datum/Projection: NAD83/ OH State Plane South (feet)

Map Notes:

Buildings demolished in 2006 include those torn down by either the city or private owners.

Probable vacant buildings include those properties currently boarded and/or with an active order to repair or demolish as of April 2007.

Probably vacant lots represent those addresses on the city's mowing list for 2006.

This map does not display a portion of Springfield extending from the southeast corner of the city.

4.04c. Springfield: Local Government Costs of Vacant and Abandoned Properties

Sources of data on local government costs

The data sources identified in Table S-6 were used to calculate the local government costs and impacts of vacant and abandoned property in Springfield. In most cases, these data sources have provided CRP with costs for calendar 2006, and are therefore not specific to the 141 buildings or the 206 lots identified in Springfield's current inventory of vacant and abandoned properties. However, these data do provide the best picture available, within the parameters of this research, of the costs to local government of vacant and abandoned buildings and lots in the City of Springfield.

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Table S-6. Sources of Data on Springfield Local Government Costs

DEPARTMENT OR DATA SOURCE	DATA DESCRIPTION OR TYPE
City Code Enforcement Division	<ul style="list-style-type: none">• 2006 Year-End Report for activities and costs related to boarding, demolition, grass, and trash• Annual budget and payroll figures (division-generated report provided to CRP)
City Utility Billing and Revenue Collection Division	<ul style="list-style-type: none">• Civil fine revenue collected from civil offenses issued against owners of nuisance properties, 2006 (data provided to CRP over the phone)
Clark County Auditor	<ul style="list-style-type: none">• Estimated tax loss from demolition, derived from assessed residential building values• Estimated tax delinquency
Ohio Department of Commerce, Division of State Fire Marshal	<ul style="list-style-type: none">• Fire incidents in Springfield, 2006 and 2007
City Police Department	<ul style="list-style-type: none">• Service calls to potential vacant addresses, 2006

Direct costs to local government

Direct local government costs are those costs borne by the city to enforce city codes related to property maintenance; to secure, maintain, and/or demolish vacant and abandoned property; and to provide police and fire service to vacant and abandoned properties. CRP estimates that from 2006 to 2007 the City of Springfield's total direct costs to address vacant and abandoned properties totaled \$575,849. Assuming a portion of these costs were or will be recouped, direct costs total \$558,450.

Code Enforcement operating costs

The City of Springfield employs one full-time Code Enforcement Manager, four full-time Code Enforcement Officers, and one full-time administrative assistant. The total operating budget for the Code Enforcement Division in 2006 was \$340,091, including salaries, fringe benefits, and operating costs. The total *excludes* indirect payment costs of \$154,297.

In 2006, Springfield's Code Enforcement Division conducted a total of 18,755 complaint-driven property inspections and a total of 722 non-complaint inspections for a

total of 19,477. Of these, 1,253 inspections were for properties of case type “board and secure,” “boarded structure,” and “repair or demolish.” The Code Enforcement Division also mailed a total of 964 written orders, notification letters, and civil warning letters to property owners for these property maintenance violations (Table S-7).

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Table S-7. Springfield Code Enforcement Division Activity, 2006

CASE TYPE	NUMBER OF INSPECTIONS	ORDERS ISSUED	NOTIFICATION LETTERS	CIVIL WARNING LETTERS
Board and Secure	293	0	69	0
Boarded Structure	92	2	18	3
Repair or Demolish	868	197	671	4

Source: City of Springfield Code Enforcement Division

When asked to estimate what percent of the division’s total staff time and operating budget was directed toward addressing vacant and abandoned properties specifically, Springfield’s Code Enforcement Manager estimated it to be at least one-third. Taken as a percent of the division’s overall operating budget, this equates to approximately \$102,027 in 2006.

Boarding costs

Code enforcement reported spending a total of \$7,181 on 50 separate incidents of boarding (this includes initial boarding and any re-boarding) in 2006. The average cost per boarding was \$144. These figures represent an increase over 2005, during which the city reported spending a total of \$4,648 on 40 boarding incidents, for an average of \$116 per boarding.

The Springfield Property Maintenance Code and Codified Ordinances allow for actual costs incurred by the city for boarding, demolition, and any other abatement activity to be billed directly to property owners. In addition to actual costs, the city charges a \$100 administrative fee for most abatement activities (a \$400 administrative fee is assessed for demolition). Owners are required to pay these charges within 60 days of receipt of a bill.

When costs are not recovered within this 60-day period, the city forwards the account to an outside collection agency that assesses its own servicing fee in addition to the costs and fees that are owed the city. Springfield recently began trying to recoup boarding costs in this way, and data on charges collected annually is not yet available.

Demolition costs

In 2006, the Code Enforcement Division demolished a total of 126 structures; 97 primary structures and 29 accessory structures (garages, out buildings, canopies, carports, or other similar structures). The city reported spending a total of \$347,983 for demolition-related activities, using a mix of CDBG and city General Fund dollars. The average cost per demolition was \$2,762.

The city bills property owners directly for demolition costs incurred, plus a \$400 administrative fee. If these costs are not recovered within the 60-day time frame, the city levies all demolition costs and fees as an assessment on an owner's property taxes, which are then collected by the county and submitted back to the city on a quarterly basis.

In 2006, Springfield assessed a total of \$304,427 for demolition-related expenses. Property tax assessments are not always paid in the same year they are assessed, therefore, it is not possible to determine what percent of the \$304,427 was repaid in 2006. It is known that in 2006, the city recouped a total of only \$16,428 for demolition-related assessments, or roughly 5% of assessments billed that year. Assuming that 5% of demolition-related costs are recovered in any given year, net demolition costs in Springfield for 2006 are estimated to have totaled \$330,584.

Property maintenance costs: grass mowing

The Code Enforcement Division compiled a list of vacant lots that the city committed to mow throughout the 2007 growing season, cutting the grass every five to six weeks. The mowing list includes 206 address-level lots. In a single round of mowing in June 2007, the city spent \$6,737, with an average of \$32.70 per mowing event. As of October, the city had mowed each lot six times, for an estimated total of \$40,422. The city does not attempt to bill property owners for these costs, primarily because there is no property owner to locate.

Additionally, in instances when property owners do not respond to orders from code enforcement, staff will mow overgrown grass or weeds and will attempt to bill the property owner for incurred expenses. For this type of case, code enforcement estimated that an additional \$21,982 in 2006 mowing costs could be attributed to vacant and abandoned property. Total mowing costs attributed to vacant and abandoned properties in 2006 is \$62,404.

Property maintenance costs: trash removal

Code enforcement reported spending a total of \$37,520 on 369 separate nuisance complaints associated with trash removal in 2006. Approximately one-quarter of these incidents were estimated to have occurred on vacant and abandoned properties, for a total of \$9,380 in costs incurred. The city hires a contractor to remove and dispose of identified items from any complaint property. These items typically include appliances, couches, tires, cardboard, wood, garbage bags, litter, rubbish, and other “unlawful accumulations.” The average cost of clean-up per event in 2006 was \$101.

Police services

In September 2007, CRP asked the Springfield Police Department to provide data on police service calls to the 141 buildings identified as potentially vacant and abandoned for this study. The Police Department was asked to identify any of these addresses with at least one call for police service in 2006.

Police Department staff reported a total of 150 police-dispatched calls (although it is not known how many of the 141 addresses make up this total). Of these, 67 calls actually pertained to the house being vacant on the date of the 2006 call. The nature of the calls included: suspicious activity (27 calls); burglary complaints/break-ins (11 calls); theft (11 calls); trespassing (7 calls); unknown “trouble” (6 calls); parking/junk automobile complaints (5 calls); suspected drug activity (2 calls); suspected prostitution (1 call); and one prank call.

The estimated cost of a call was based on the hourly salary of a senior patrol officer (without benefits), which is \$25.00 per hour. Staff estimated that the average time it takes to resolve a call (from the time of initial dispatch) is 30 minutes, meaning the average personnel cost per officer, per call, is approximately \$12.50. Assuming that one officer responded per call, the estimated personnel cost in 2006 was \$1,875 (Table S-8).

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Table S-8. Springfield Police Service Calls to Vacant and Abandoned Residential Addresses, 2006

	ESTIMATED TOTAL VACANT RESIDENTIAL ADDRESSES
Total vacant residential addresses	126 (1)
Addresses with one or more calls for police service	Data not provided
Total calls to these addresses	150
Police officers who responded to these calls	150
Average time per response	30 minutes
Estimated personnel cost per police officer response	\$12.50
Estimated total police personnel cost	\$1,875

(1) Derived from Clark County Auditor data. Out of 141 total buildings identified as vacant and abandoned for this study, 126 had auditor-assigned residential land use codes, but 4 had no assigned code. For these 4, it is not known whether the building is residential.

Fire services

Although the 141 vacant and abandoned buildings tracked by the city in 2007 make up only 0.6% of all structures in Springfield, they represented 4.4% of all structure fires (of any land use type) over a 20-month period. According to data provided by Ohio's Division of State Fire Marshal, 205 structure fires occurred in Springfield from January 2006 to August 2007 (Table S-9). Of this total, 9 fires occurred in a vacant and abandoned structure identified for this study, all of which are residential (representing 6.3% of all residential fires). The estimated municipal cost associated with the fires is \$45,000.

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Table S-9. Fire Incidents in Springfield, January 2006-August 2007

	NUMBER OF STRUCTURES	NUMBER OF FIRES	VACANT STRUCTURE FIRES AS % OF ALL STRUCTURE FIRES	ESTIMATED CITY COST OF VACANT STRUCTURE FIRES (1)
Structures of any land use type (citywide)	23,971	205		
Vacant and abandoned structures of any land use type	141	9	4.4%	\$45,000
Residential structures (citywide)	21,628	143		
Vacant and abandoned residential structures only	126 (2)	9	6.3%	\$45,000

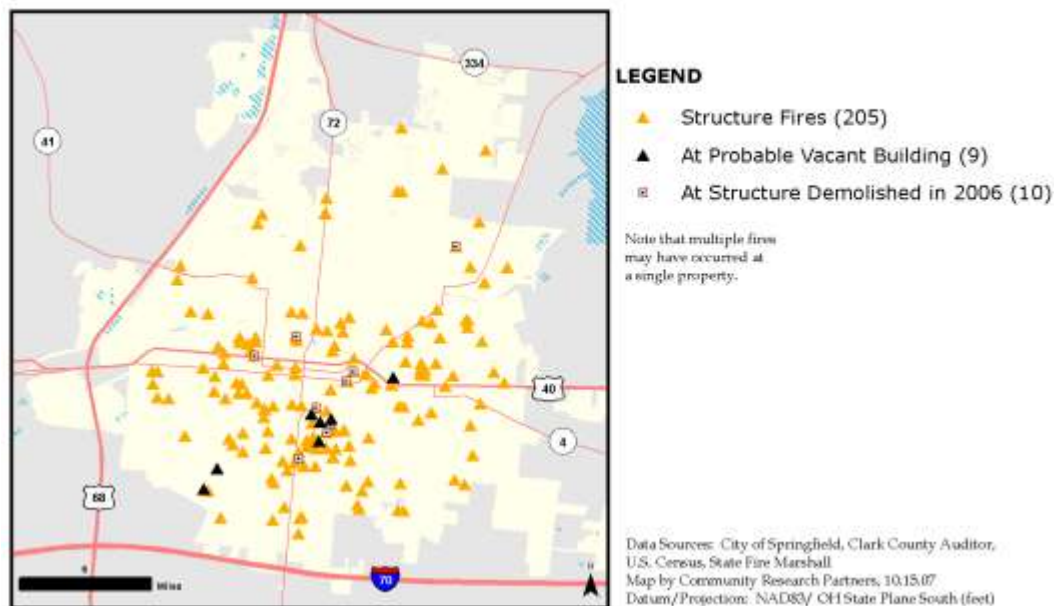
Source: Clark County Auditor; Ohio Department of Commerce, Division of State Fire Marshal

- (1) Costs estimated at \$5,000 per fire incident, based on 2005 data collected by the Cincinnati Department of Buildings and Inspection for the Vacant Buildings Maintenance License Code program. Assumes that one-third of fire runs are for larger fires and two-thirds are for smaller fires.
- (2) Out of 141 total buildings identified as vacant and abandoned for this study, 126 had auditor-assigned residential land use codes, but 4 had no assigned code. For these 4, it is not known whether the building is residential.

Map S-2 identifies the location of:

- Building fires in Springfield from January 2006-August 2007
- Building fires in structures currently identified as vacant and abandoned
- Building fires in structures demolished in 2006

Map S-2. City of Springfield, Structure Fires, Jan 2006 - Aug 2007



Lost tax revenue

Vacant and abandoned properties directly reduce property tax collections in two ways. First, there is tax loss to the city when the building on a property is demolished, reducing its property value and tax assessment. Second, the city loses tax revenue from delinquent, unpaid taxes on these properties. These losses impact all jurisdictions that receive property tax revenues: the county, city, school districts, and special taxing districts.

Tax loss due to demolition

CRP estimates that the property tax loss from the demolition of primary residential structures in Springfield was \$46,864 in 2006. This is an average of \$464 per structure for 93 structures demolished by the city and 8 structures demolished by property owners.

To estimate the property tax loss, CRP analyzed the assessed building values for all residential properties (671 properties) within a single census tract in Springfield where the incidence of both demolition and boarding activity was highest in 2006 (census tract 39023000300). In this tract, the median assessed building value for tax year 2006 was \$7,950, which was assumed to be representative of any house demolished under the city's nuisance abatement authority. The estimated tax loss incurred by demolishing a house of this value would be \$464 annually. This figure was derived by multiplying the assessed building value by the effective tax rate in the tract (0.05832, or 58.32 mills).¹

Tax loss due to delinquency of vacant and abandoned properties

The Springfield inventory of 141 vacant and abandoned buildings was matched with Clark County Auditor data to determine the current amount of tax delinquency (through 2006) for these properties. Of this total, 45 (31.9%) were tax delinquent, with a total delinquency of \$56,215 (Table S-10).

Because many vacant and abandoned lots were not able to be matched with county auditor data, the calculation of tax delinquency for these lots was based on the average for all vacant residential lots citywide. Auditor data included 509 vacant, tax delinquent residential parcels (without buildings) in Springfield in 2006, with a total delinquency of \$1,175,604, and an average of \$2,310 per parcel. This average was applied to Springfield's estimated inventory of 206 vacant and abandoned lots, for an estimated 2006 delinquency of \$475,785 (Table S-10).

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Table S-10. Property Tax Delinquency from Vacant and Abandoned Properties, Springfield, 2006

PARCEL TYPE	NUMBER OF PARCELS		TAX DELINQUENCY
Vacant and abandoned buildings that were property tax-delinquent in 2006 (1)	45	27 single-family 16 multi-family 1 nursing home 1 commercial	\$56,215
Vacant and abandoned lots estimated delinquency 2006	206		\$475,785
Total delinquency			\$532,000

Source: Clark County Auditor, 2006

(1) County Auditor property identifiers could not be matched for 5 of the 141 vacant and abandoned buildings identified in Springfield's inventory; for these 5 buildings, delinquency status is not known.

¹ A mill is one tenth of a cent and is equivalent to \$1 of tax per \$1,000 of taxable value

Summary of Costs of Vacant and Abandoned Property

CRP estimates that vacant and abandoned properties cost the City of Springfield and other taxing jurisdictions at least \$1,137,314 in 2006. This includes direct city costs related to these properties, as well as foregone tax collections (Table S-11).

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Table S-11. Summary of Estimated Local Government Costs of Vacant and Abandoned Properties, Springfield, 2006-2007

TYPE OF COST	DESCRIPTION	TOTAL LOCAL GOVERNMENT COST	AVERAGE COST PER VACANT/ABANDONED PROPERTY (1)
<i>Proportion of Code Enforcement operating budget directed toward vacant and abandoned properties</i>	6 full-time staff salaries Benefits Operating costs	\$102,027	NA
Demolition (2006)	126 structures 97 primary structures 29 accessory structures	\$347,983	\$2,762
Boarding (2006)	50 incidents Includes initial boarding and any re-boarding	\$7,180	\$144
Grass (2006)	206 recurring locations plus other nuisance properties	\$62,404	\$31
Trash (2006)	Approximately 92 incidents	\$9,380	\$101
Police services (2006)	150 calls @ \$12.50 per response	\$1,875	\$12.50
Fire services (January 2006-August 2007)	9 fires @ \$5,000 per response	\$45,000	\$5,000
Property tax loss from demolition (2006)	(Median assessed value) x (effective tax rate) x (101 structures)	\$46,864	\$464
Property tax loss from delinquency (2006)	45 vacant and abandoned buildings 206 vacant and abandoned lots	\$532,000	\$1,249 per building \$2,310 per lot
TOTAL COSTS		\$1,154,713	
TOTAL COSTS RECOUPED	Assumes 5% of demolition costs are recouped	(\$17,399)	
TOTAL NET COSTS		\$1,137,314	

(1) Calculated by CRP

4.04d. Perspectives on Vacant and Abandoned Properties in Springfield

In the process of collecting and analyzing quantitative data on the incidence of and costs associated with vacant and abandoned properties in Springfield, CRP staff communicated frequently with city staff via telephone and email. CRP staff visited Springfield in April 2007 and met with Daryl Weber, Code Enforcement Manager for the City of Springfield (now retired), Joshua Harmon, Springfield's current Code Enforcement Manager, other code enforcement staff, and Nick Heimlich, Assistant Fire Chief. Mr. Weber also took CRP staff on a driving tour of the city. The following summary reflects perspectives of local officials, shared informally with CRP, and observations of CRP staff, about how Springfield is addressing vacant and abandoned properties and their impact on the community.

Addressing vacant and abandoned properties

Aggressive demolition policy

Demolition is the preferred means to addressing vacant and abandoned buildings in Springfield. The Code Enforcement Division pursues boarding aggressively, and generally will not allow a structure to remain an open, unsecured eyesore for long. An aggressive demolition policy reduced the number of boarded properties and other buildings requiring demolition over the years, but has increased the number of undeveloped, vacant lots.

Demolition can spur revitalization

Demolition is perceived at times to be a revitalizing influence in and of itself. Following a demolition, code enforcement staff reports that property owners on the same street begin to reinvest in their neighborhood and make more of an effort to maintain the appearance of their own homes.

Impacts of vacant and abandoned properties

Not a strong blighting effect

Perhaps due to the aggressiveness of the city's demolition program, code enforcement staff does not perceive that vacant and abandoned buildings have a strong blighting effect on the city. If properties appear "run down," this may be attributed to a homeowner or tenant being poor, not to abandonment.

Dumping ground for trash

Code enforcement staff reported that trash accumulations around vacant properties and lots is a significant problem in Springfield. The city stopped providing local government trash pick-up about ten years ago, and since that time, staff reports having a large problem with vacant properties being used as dumping grounds for garbage.

Alters the character of neighborhoods

Some city staff acknowledges that aggressive demolition policies can alter the unique quality of a neighborhood, and that demolition programs, at times, can run counter to redevelopment initiatives that emphasize preservation above demolition.

4.05 Zanesville Summary



In June 2007, Zanesville's vacant and abandoned properties inventory included 129 buildings and 123 vacant lots—252 properties overall—that were identified through Building and Code Enforcement Division records. These are concentrated in the area of Zanesville south of Interstate 70. It is estimated that vacant and abandoned properties cost between \$127,000 and \$186,000 in city services and foregone property tax collections in 2006.

4.05a. Zanesville Profile

The City of Zanesville is located in Muskingum County in east central Ohio. In 2006, the city had an estimated population of 25,361, a 5.3% drop from its 1990 population of 26,778. Muskingum County Auditor data recorded a total of 8,887 residential properties in Zanesville in 2006; Census 2000 identified 11,755 housing units. In 1999, the median home value for owner-occupied homes in Zanesville was \$60,600. Forty-one percent of homes were built prior to 1940, while only 9.8% of units have been built since 1980.

4.05b. Incidence of vacant and abandoned properties

- **How the city identifies vacant and abandoned properties.** Between 2002 and 2004, Building and Code Enforcement conducted citywide inspections of all properties in Zanesville and designed a database to track inspection and abatement activity on those identified as vacant and abandoned. The Division had since integrated new housing, code enforcement, and property maintenance software that offers enhanced tracking and reporting capabilities. Properties are categorized according to Procedure I (in need of repair), Procedure II (condemned), or Procedure III (to be demolished).
- **Vacant buildings.** There are 129 buildings in Zanesville identified as vacant and abandoned, based on city records in June 2007. This included 37 buildings with open demolition orders (Procedure III), and unduplicated counts of the following: 39 buildings with open condemnation orders (Procedure II); 18 buildings identified as a demolition priority for 2007; 23 buildings that were boarded in 2006; and 12 buildings identified by the city as being vacant and abandoned during a citywide sweep that ended in 2004.
- **Vacant land.** Included in Zanesville's total inventory of vacant and abandoned properties are 123 abandoned lots for which the city has assumed responsibility for mowing and maintenance. These include 16 vacant lots that are owned by the city.

4.05c. Local government costs of vacant and abandoned properties

It is estimated by CRP that from 2006 to 2007 the City of Zanesville and other local taxing districts incurred a total of between \$126,631 and \$185,656 in costs as a result of vacant and abandoned properties. This included:

- **Direct municipal cost.** Between \$101,599 and \$160,624 for code enforcement staff and operating costs, demolition and boarding, and grass cutting
- **Lost tax revenue.** \$25,032 in property tax loss from building demolition; data on property tax loss from delinquency were not available

4.05d. Perspectives on Vacant and Abandoned Properties in Zanesville

- **How the city addresses vacant and abandoned properties.** Code Enforcement has developed a strong collaborative relationship with the municipal court, which has resulted in a set of recommended penalty guidelines for property maintenance code violations that are consistently and effectively enforced. There is also interest within Code Enforcement to strengthen the city's property maintenance code by shortening the amount of time a property is permitted to remain idle before proceeding to Procedure III notification. The city is currently discussing the possibility of establishing a land bank as an additional tool for acquiring and consolidating vacant lots and prioritizing those lots for eventual redevelopment or reuse.
- **Impacts of vacancy and abandonment.** City staff cited various opportunity costs associated with the presence of vacant and abandoned properties in Zanesville. These include not being able to market or redevelop properties to new buyers or to low- to moderate-income households, and depressed sale values of homes located near vacant and abandoned properties. Staff also expressed concern over how vacant and abandoned properties affect a person's impression of the city, as well as legal barriers to gaining access to vacant and abandoned properties.

4.05a. Zanesville Profile

Demographic and economic profile

The City of Zanesville is the county seat of Muskingum County, in east central Ohio. The city's estimated 2006 population was 25,361, a 5.3% drop from the 1990 population of 26,778. In 2000, Zanesville had a minority population percentage comparable to Ohio, and significantly larger than Muskingum County. Zanesville's poverty and unemployment rates were high compared to the county and state, and median household income was much lower (Table Z-1). Muskingum County's largest industry sectors in 2007 were: retail; health care and social assistance; manufacturing; and state and local government (Ohio Department of Development, Ohio County Indicators).

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Table Z-1. Demographic Characteristics: Zanesville, Muskingum County and Ohio

	ZANESVILLE	MUSKIGUM COUNTY	OHIO
Estimated Population, 2006	25,361	86,125	11,478,006
Total Population, 2000	25,586	84,585	11,353,140
Percent white	85.5%	93.9%	85.0%
Percent non-white (1)	14.5%	6.1%	15.0%
Median Household Income, 1999	\$26,642	\$35,185	\$40,956
Poverty Rate, 1999	22.4%	12.9%	10.6%
Unemployment rate, 2000	7.9%	5.8%	5.0%

Source: U.S. Census Bureau: Annual Population Estimates; Census 2000 Summary File 1 and 3

(1) Non-white includes Census categories: Black or African American alone; American Indian and Alaska Native alone; Asian alone; Native Hawaiian and Other Pacific Islander alone; some other race alone; and two or more races

Housing profile

This section includes data on the composition and character of the Zanesville housing stock from two data sources. The Muskingum County Auditor records data on residential property types (Table Z-2). Each property, no matter how many units, is counted once. The U.S. Census counts each housing unit within a residential building (Table Z-3). In 2006 there were 8,887 residential properties in Zanesville; Census 2000 identified 11,755 housing units in the city.

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Table Z-2. Zanesville Residential Property Types, Muskingum County Auditor Records, 2006

TOTAL PROPERTIES	SINGLE-FAMILY	2 TO 3-UNITS	4+ UNITS	OTHER (1)
8,887	8,015	582	158	132

Source: Muskingum County Auditor

(1) "Other" includes residential condominiums, commercial-residential mixed use properties, etc.

Housing cost and age of housing stock

In 1999, the median home value for owner-occupied homes in Zanesville (\$60,600) was well below the Muskingum County median (\$83,300). Median gross rents in Zanesville were also below the county figure (\$389 versus \$406).

The housing stock in Zanesville is fairly old, with 41.3% of homes built prior to 1940, compared to 25.9% in Muskingum County (Table Z-3). Only 9.8% of housing units in Zanesville have been built since 1980, compared to 23.9% in Muskingum County.

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Table Z-3. Age of Housing Stock, Zanesville, Ohio, 2000

YEAR BUILT	HOUSING UNITS	
1939 or earlier	4,853	41.3%
1940-1959	3,654	31.1%
1960-1979	2,093	17.8%
1980-1989	705	6.0%
1990-2000	450	3.8%
Total	11,755	100.0%

Source: U.S. Census Bureau, Census 2000 Summary File 3

Housing tenure

In 2000, half of all housing units in Zanesville were owner-occupied (49.5%), and the city's overall housing vacancy rate was 9.3% (Table Z-4). Vacant housing is categorized by the U.S. Census according to the reason for vacancy, such as being for sale, rent, or for seasonal use. Vacant housing units that cannot be classified in one of these categories are included in an "other vacant" category.

In 2000, the census identified a total of 1,090 vacant housing units in Zanesville, with 380 units in the "other vacant" category. This was an increase over the 243 units in this category in 1990. The 380 "other vacant" housing units in the 2000 Census is nearly three times the number of vacant and abandoned buildings (129) identified using city code enforcement records. It can be assumed that vacant and abandoned housing (those not for sale or rent), as defined for this study, is for the most part captured in this "other" category, but because address-level census data are not available, this cannot be verified.

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Table Z-4. Housing Tenure: Zanesville, Muskingum County and Ohio, 2000

	ZANESVILLE		MUSKINGUM COUNTY		OHIO	
	1990	2000	1990	2000	1990	2000
Total housing units	11,770	11,662	33,029	35,163	4,371,945	4,783,051
Owner occupied	51.8%	49.5%	68.0%	68.0%	63.1%	64.2%
Renter occupied	40.1%	41.2%	25.1%	24.5%	30.4%	28.7%
Vacant	8.1%	9.3%	6.9%	7.5%	6.5%	7.1%
Vacant for rent	345	392	607	738	108,117	125,095
Vacant for sale only	178	203	375	450	37,628	48,404
Vacant rented or sold, not occupied	147	94	422	203	32,961	33,182
Seasonal, recreational, or occasional use	38	21	311	338	37,324	47,239
Migrant worker units	0	0	2	2	4,57	355
Other vacant	243	380	559	914	67,912	83,003
Total vacant	951	1,090	2,276	2,645	284,399	337,278

Source: U.S. Census Bureau, Census 1990 and 2000 Summary File 1.

4.05b. Zanesville: Incidence of Vacant and Abandoned Properties

Vacant and abandoned buildings

CRP determined that data from the Zanesville Building and Code Enforcement Division provided the most reliable documentation of the number of vacant and abandoned buildings in the city. Code Enforcement records identified 129 buildings that most closely met the definition of vacant and abandoned established for this study. This included 37 buildings with open demolition orders (Procedure III) as of June 2007, and unduplicated counts of the following: 39 buildings with open condemnation orders (Procedure II) as of June 2007; 18 buildings identified as a demolition priority for 2007; 23 buildings that were boarded in 2006; and 12 buildings identified by the city as being vacant and abandoned as of September 2006. Of Zanesville's total inventory, 117 buildings were identified through Muskingum County Auditor data as residential.

City of Zanesville method for tracking vacant and abandoned buildings

Responsibility for addressing residential vacant and abandoned properties in Zanesville resides within the Building and Code Enforcement Division of the city's Department of Public Safety. The Code Enforcement Manager also conducts all residential building inspections. Commercial building inspections are contracted to Muskingum County's building department.

Between 2002 and 2004, Code Enforcement conducted citywide inspections of all residential and commercial properties in Zanesville, and identified approximately 230 buildings as vacant and abandoned. Code Enforcement designed a spreadsheet database around these buildings, and over the course of the next several years, tracked all inspection and code enforcement activity related to their ultimate rehabilitation or demolition. Significant city dollars (about \$225,000) were directed toward demolition, and as the buildings were addressed and their cases resolved, they were removed from the database.



House on Wheeling Avenue, Zanesville



House on Grant Street, Zanesville

Since the citywide survey, Code Enforcement has new integrated housing, code enforcement, and property maintenance software that offers enhanced tracking and reporting capabilities. The software is compatible with GIS, and can be linked to the County Auditor database. Properties are assigned individual lot files, through which data can be queried by address, street, ward, date, inspection type, violation type, etc. The database currently tracks any property that has received a citation dating back to 2004. Future updates to the software include a field module that code enforcement officers can operate remotely. The field module allows data to be entered for any inspection, regardless of whether a citation is issued.

There is no case type or formal process by which Code Enforcement documents a building as being vacant and abandoned, as has been defined for this study. To estimate the incidence of vacant and abandoned buildings, CRP collected address-level data from Code Enforcement and from the city's Litter Prevention and Recycling Enforcement Division, which is responsible for securing open and vacant buildings and addressing grass and trash violations. Address-level data were collected for the types of properties described in Table Z-5, as of June, 2007.

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Table Z-5. Zanesville Code Enforcement Case Types

CASE TYPE	DESCRIPTION
Procedure II	Code Enforcement has issued notice that the building is condemned.
Procedure III	Code Enforcement has issued notice that the building is to be demolished.
Demolition Priority	Code Enforcement has identified the building as a demolition priority for 2007. There is some duplication between this list of properties and those captured under Procedure II and Procedure III notification.
Secured	The Litter Prevention and Recycling Enforcement Division boarded the building because it was identified as being open and vacant in 2006. Under the city's Property Maintenance Code, buildings are permitted to remain boarded, with no activity toward abatement, for a maximum of two years before the city will pursue Procedure III orders.
Vacant and Abandoned	The building was originally identified as vacant and abandoned during the citywide survey conducted between 2002 and 2004. Of the original 230 buildings identified during that sweep, 68 buildings were still being tracked by Code Enforcement, under its original database, as of September 2006. Of those 68, CRP included 12 buildings in the overall inventory of vacant and abandoned buildings in Zanesville, due to their having been condemned or rated as being in poor condition by Code Enforcement.

Source: City of Zanesville Building and Code Enforcement Division; Litter Prevention and Recycling Enforcement Division

Using these parameters, CRP identified 39 buildings classified as Procedure II, 37 classified as Procedure III, 18 demolition priorities, 23 secured buildings, and 12 buildings identified as vacant and abandoned during the citywide survey—129 total buildings. Of these, 117 are known to be residential, based on Muskingum County Auditor data.

Vacant land

Data from Zanesville's Litter Prevention and Recycling Enforcement Division were also used to document the number of abandoned lots in the city for which the city incurs ongoing service costs. Litter Prevention records included 158 lots for which the city assumed responsibility for mowing and maintaining in 2006. Sixteen of these lots are vacant and owned by the city. Thirty-five of these lots have existing structures that have been slated for demolition or are condemned (as of June 2007), or were boarded in 2006. Based on these data, CRP calculated the number of vacant lots to be 123 (158 minus the 35 mowed lots with structures).

Limitations of other sources of data on vacant land

County Auditor data and City of Zanesville building demolition data also provide information on the number of vacant parcels of land in the city. However, as described below, there are limitations to using data from these sources to calculate the number of vacant lots for which the local government incurs costs.

- **Muskingum County Auditor data limitations.** Tax year 2006 data indicate that Zanesville has 2,418 vacant residential lots and 481 vacant commercial/industrial lots. There is no readily accessible data to determine which of these lots actually incur costs for the City of Zanesville.
- **City demolition data limitations.** In 2006, Zanesville's Building and Code Enforcement Division issued a total of 42 residential demolition permits, though only 4 buildings were demolished using city funds. Knowing that a property is a former demolition site does not necessarily mean the city incurs costs to maintain the site following demolition. In some cases, adjacent property owners purchase vacant lots to add acreage to their property (or simply begin to maintain the property without actually purchasing the land). In other cases, new development occurs on former demolition sites.



Former demolition sites in Zanesville

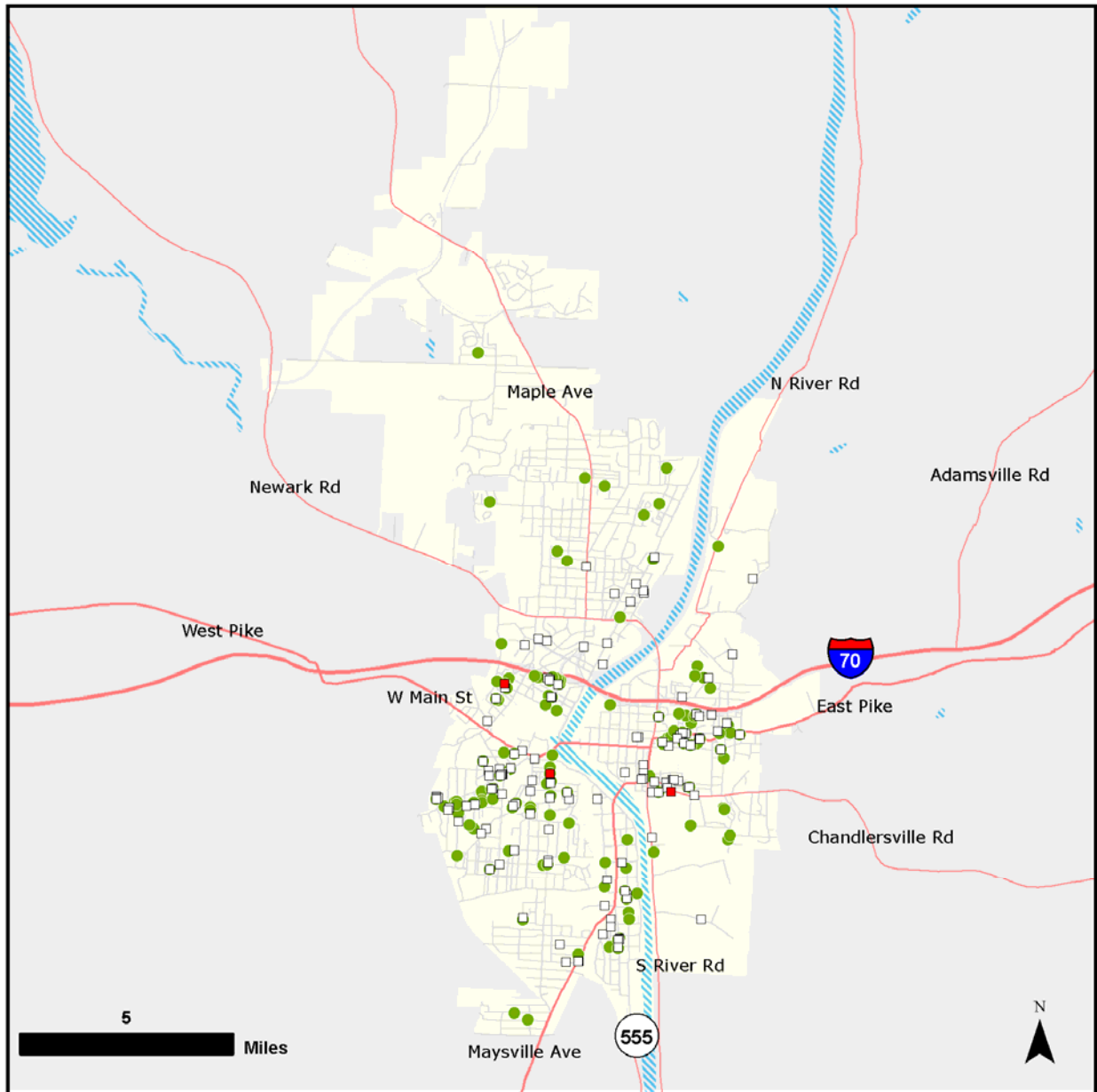
Location of vacant and abandoned properties in Zanesville

Map Z-1 identifies the location of:

- Buildings with open Procedure II or Procedure III orders as of June 2007
- Buildings identified as demolition priorities for 2007
- Buildings boarded in 2006
- Lots where city-funded demolition occurred in 2006
- Abandoned lots that Litter Prevention routinely mowed in 2006

The map suggests that the bulk of Code Enforcement staff time is spent in the southern half of the city, below Interstate 70.

Map Z-1. City of Zanesville, Vacancy and Demolition



LEGEND

- Demolished in 2006 (3)
- Probable Vacant Buildings (129)
- Probable Vacant Lots (123)
- Incorporated Areas in White

Map Notes:

Probable vacant buildings include those properties on the city's pending demolition list, with open condemnation or demolition orders, boarded in 2006, or identified by code enforcement as vacant and in poor condition.

Probable vacant lots represent those addresses on the city's mowing list for 2006 that are not accounted for in the probable vacant building list.

Data Sources: City of Zanesville, Muskingum County Auditor,
U.S. Census (TIGER 2006 ed.2)
Map by Community Research Partners, 10.10.07
Datum/Projection: NAD83/ OH State Plane South (feet)

4.05c. Zanesville: Local Government Costs of Vacant and Abandoned Properties

Sources of data on local government costs

Data sources identified in Table Z-6 were used to calculate the local government costs and impacts of vacant and abandoned property in Zanesville. In most cases, these data sources have provided CRP with costs for calendar 2006, and are not necessarily specific to the 129 buildings and 123 lots defined as vacant and abandoned for the purposes of this study. However, these data do provide the best picture available, within the parameters of this research, of the costs to local government of vacant and abandoned buildings and lots in the City of Zanesville.

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Table Z-6. Sources of Data on Zanesville's Local Government Costs

DEPARTMENT OR DATA SOURCE	DATA DESCRIPTION OR TYPE
City Building and Code Enforcement Division	<ul style="list-style-type: none">• 2006 Annual Report of Code Enforcement activity
City Litter Prevention and Recycling Enforcement Division	<ul style="list-style-type: none">• Labor and materials costs associated with securing open and vacant buildings• Vacant property mowing list and associated costs
Muskingum County Auditor	<ul style="list-style-type: none">• Estimated tax loss from demolition, derived from assessed residential building values
Ohio Department of Commerce, Division of State Fire Marshal	<ul style="list-style-type: none">• Fire incidents in Zanesville, 2006 and 2007
City Police Department	<ul style="list-style-type: none">• Service calls to potential vacant addresses, 2006

Direct costs to local government

Direct local government costs are those costs borne by the city to enforce city codes related to property maintenance; to secure, maintain, and/or demolish vacant and abandoned property; and to provide police and fire service to vacant and abandoned properties. CRP estimates that from 2006 to 2007 the City of Zanesville's total direct costs to address vacant and abandoned properties totaled between \$101,599 and \$160,624.

Code Enforcement operating costs

The City of Zanesville employs one full-time Chief Code Enforcement Officer, two full-time and one part-time housing inspectors, and one full-time administrative assistant. The total operating budget for the Building and Code Enforcement Division in 2006 was approximately \$300,000, including salaries, fringe benefits, and all operating costs, and *including demolition and other abatement costs*. Backing out direct costs for boarding, demolition, and grass mowing, the estimated operating budget for the division in 2006 was about \$260,000.

When asked to estimate what percent of the division's total staff time and operating budget was directed toward addressing vacant and abandoned properties specifically, the Chief Code Enforcement Officer estimated it to be about one percent (about \$3,000). His rationale for this estimate was based on the percent of total residential properties that vacant and abandoned buildings actually represent in Zanesville, which is about 1.5%. The Code Enforcement Officer noted, however, that to include staff time, inspections, and budget dollars that go toward demolition, the percent of the division's overall budget that is directed toward addressing vacant and abandoned properties increases to between 15% and 20% (between \$45,000 and \$60,000).

Boarding costs

Zanesville's Litter Prevention and Recycling Enforcement Division estimated spending a total of \$2,975 for labor and materials related to 45 separate incidents of boarding in 2006 (including initial and any re-boarding). Another estimate was provided by the city's Community Development Department, which calculated the cost to be closer to \$5,000 when employer taxes and employee benefits were included. CRP cites both estimates here. The average cost per boarding, therefore, ranges between \$66 and \$111 per boarding.

Demolition costs

In 2006, Zanesville Code Enforcement demolished a total of four buildings and spent a total of \$16,879, using all General Fund dollars. Code Enforcement actually issued a total of 42 residential demolition permits in 2006, but the large majority of these were for private demolition. The average cost per city-funded demolition was \$4,220. In recent years (2002 to 2005), the city has demolished between five and 13 buildings per year, for an average cost that ranges between \$4,000 and \$6,000 per demolition.

Although Zanesville's Property Maintenance Code authorizes the city to assess property owners for costs associated with both demolition and boarding, the Chief Code Enforcement Officer indicated that the amount the city actually recoups is only a small percentage of the total assessed annually. CRP was not able to obtain data on total charges assessed or recouped for demolition or boarding in 2006, but it is assumed in the calculation of costs related to vacant and abandoned properties (Table Z-9), that little to no costs were recouped.

Property maintenance costs: grass mowing

Zanesville's Litter Prevention and Recycling Enforcement Division compiled a list of 158 vacant and abandoned lots that the city regularly mowed and maintained in 2006. Sixteen of these lots are vacant and owned by the city. Thirty-five of these lots have existing structures that have been slated for demolition or are condemned (as of June, 2007), or were boarded in 2006.

Zanesville's "weed crew" includes seasonal employees hired for 26 weeks during the summer growing season. In 2006, the weed crew included one supervisor and two employees. The total expended in 2006 for salaries, fuel, and maintenance costs was \$18,046. Per property, the average cost in 2006 was \$114. The city does not attempt to recoup grass cutting costs from property owners.

Property maintenance costs: trash removal

The Litter Prevention and Recycling Enforcement crew also responds to nuisance complaints received by Code Enforcement about accumulations of garbage and debris on properties. Costs incurred are reported back to Code Enforcement on a case-by-case basis, but are not formally tracked or compiled. The manager of the Zanesville weed crew indicated that, because few properties required city-funded cleanup in 2006, costs data were not available for that period.

Police services

In October 2007, CRP submitted the list of 129 building addresses identified as potentially vacant and abandoned to the Zanesville Police Department. The Department was asked to identify which of the addresses had one or more calls for police service to which an officer was dispatched in 2006. Of the 129 total addresses, 23 had one call for police service, and 38 had two or more calls (61 total). The total number of calls across all addresses was 336. The total number of officers who responded to these calls was 540.

Police records indicated that the nature of the calls to these properties varied. Of the most common were calls related to breaking and entering, theft, disturbance, calls for police assistance, warrants, drugs, open doors or windows, and suspicious persons. The most common call (approximately 9% of the 336 calls) was for breaking and entering.

The current salary of a Zanesville police officer ranges between \$14.30 and \$22.04 per hour. CRP assumed the average police officer's salary to be the midpoint of this range, or \$18.17. The average amount of time spent by an officer responding to each of the 336 calls described above was 35 minutes, meaning that the estimated personnel (i.e. salary) cost of one officer responding to one call was \$10.60. Because 540 officers actually responded to 336 calls (1.6 officers per call), CRP estimates the average personnel cost per response as \$16.96, and the cumulative cost of responding to all 336 calls as \$5,699 (Table Z-7).

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Table Z-7. Zanesville Police Service Calls to Vacant and Abandoned Residential Addresses, 2006

	ESTIMATED TOTAL VACANT RESIDENTIAL ADDRESSES
Total vacant residential addresses	117 (1)
Addresses with one or more calls for police service	61
Total calls to these addresses	336
Police officers who responded to these calls	540
Average time per response	35 minutes
Estimated personnel cost per police department response (1.6 officers responding)	\$16.96
Estimated total personnel cost	\$5,699

(1) Derived from Muskingum County Auditor data. Out of 129 total buildings identified as vacant and abandoned for this study, 117 had auditor-assigned residential land use codes, but 8 had no assigned code. For these 8, it is not known whether the building is residential.

Fire services

Although the 129 vacant and abandoned buildings tracked by the city in 2007 make up only 1.3% of all structures in Zanesville, they represented 11.3% of all structure fires over a 20-month period (Table Z-8; Map Z-2). According to data provided by Ohio's Division of State Fire Marshal, 97 structure fires occurred in Zanesville from January 2006 to August 2007. Of this total, 11 (11.3%) occurred in vacant and abandoned structures (of any land use type) identified for this study. Ten fires occurred in *vacant residential* structures (representing 15.4% of all residential fires). The estimated municipal cost associated with the fires ranges from \$50,000 (residential only) to \$55,000 (all vacant structures).

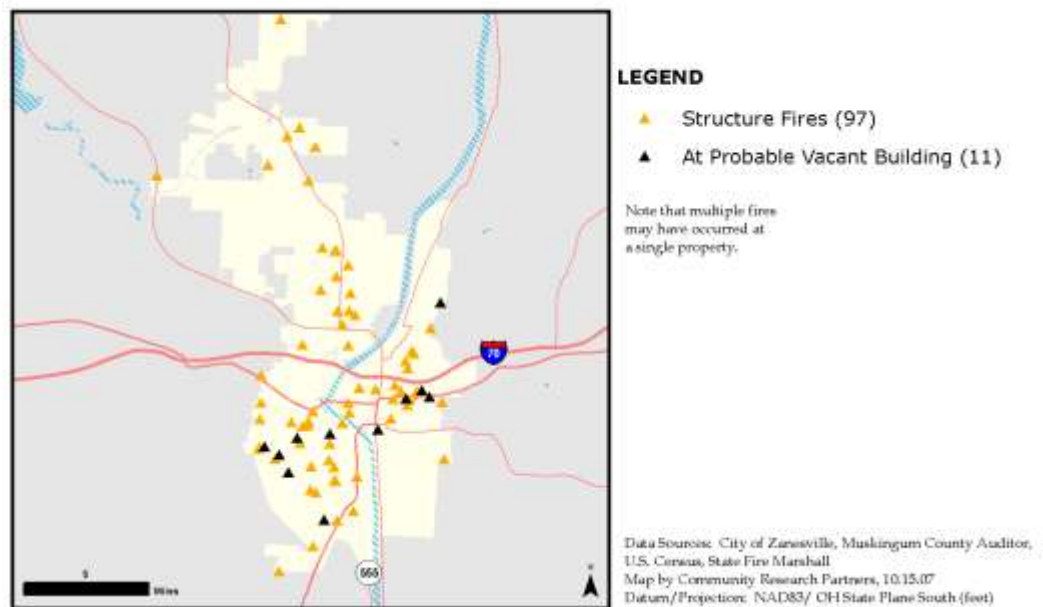
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Table Z-8. Fire Incidents in Zanesville, January 2006-August 2007

	NUMBER OF STRUCTURES	NUMBER OF FIRES	VACANT STRUCTURE FIRES AS % OF ALL STRUCTURE FIRES	ESTIMATED CITY COST OF VACANT STRUCTURE FIRES (1)
Structures of any land use type (citywide)	10,203	97		
Vacant and abandoned structures of any land use type	129	11	11.3%	\$55,000
Residential structures (citywide)	8,887	65		
Vacant and abandoned residential structures only	117 (2)	10	15.4%	\$50,000

Source: Muskingum County Auditor; Ohio Department of Commerce, Division of State Fire Marshal

- (1) Costs estimated at \$5,000 per fire incident, based on 2005 data collected by the Cincinnati Department of Buildings and Inspection for the Vacant Buildings Maintenance License Code program. Assumes that one-third of fire runs are for larger fires and two-thirds are for smaller fires.
- (2) Out of 129 total buildings identified as vacant and abandoned for this study, 117 had auditor-assigned residential land use codes, but 8 had no assigned code. For these 8, it is not known whether the building is residential.

Map Z-2. City of Zanesville, Structure Fires, Jan 2006 - Aug 2007



Lost tax revenue

Vacant and abandoned properties directly reduce property tax collections in two ways. First, there is tax loss to the city when the building on a property is demolished, reducing its property value and tax assessment. Second, the city loses tax revenue from delinquent, unpaid taxes on these properties. These losses impact all jurisdictions that receive property tax revenues: the county, city, school districts, and special taxing districts.

Tax loss due to demolition

CRP estimates that the property tax loss from the demolition of residential structures in Zanesville was \$25,032 in 2006. This is an average of \$596 per structure for 42 structures demolished by the city and through private demolition (based on the number of residential demolition permits issued in 2006).

To estimate the property tax loss, CRP analyzed the assessed building values for all residential properties (1,180 properties) within a single census tract in Zanesville where the incidence of both demolition and boarding activity was highest in 2006 (census tract 39119982100). In this tract, the median assessed building value for tax year 2006 was \$13,340, which CRP assumed to be representative of any house demolished under the city's nuisance abatement authority. The estimated tax loss incurred by demolishing a house of this value would be \$596 annually. This figure was derived by multiplying the assessed building value by the effective tax rate in the tract (0.04466, or 44.66 mills).¹

Tax loss due to delinquency of vacant and abandoned properties

In other city analyses, CRP calculated property tax loss due to delinquency by reviewing County Auditor data and determining what portion of all currently uncollected tax revenue was attributable to vacant and abandoned buildings or vacant lots. The Muskingum County Auditor was not able to provide tax data to CRP in a usable format, however, and so these calculations could not be performed.

¹ A mill is one tenth of a cent and is equivalent to \$1 of tax per \$1,000 of taxable value.

Summary of Costs of Vacant and Abandoned Property

CRP estimates that vacant and abandoned properties cost the City of Zanesville and other taxing jurisdictions at least \$126,631 (as a low estimate) or \$185,656 (as a high estimate) from 2006 to 2007. This includes direct city costs related to these properties, as well as foregone tax collections (Table Z-9).

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Table Z-9. Summary of Estimated Local Government Costs of Vacant and Abandoned Properties, Zanesville, 2006-2007

TYPE OF COST	DESCRIPTION	TOTAL LOCAL GOVERNMENT COST	AVERAGE COST PER VACANT/ABANDONED PROPERTY (1)
<i>Proportion of Code Enforcement operating budget directed toward vacant and abandoned property</i>	4 full-time staff salaries, 1 part-time Benefits Operating costs	\$3,000 to \$60,000	NA
Demolition (2006)	4 structures	\$16,879	\$4,220
Boarding (2006)	45 incidents Includes initial boarding and re-boarding Estimates provided by 2 different sources	\$2,975 to \$5,000	\$66 to \$111
Grass (2006)	158 locations	\$18,046	\$114
Trash (2006)	Data unavailable	Data unavailable	Data unavailable
Police services (2006)	336 calls @ \$16.96 per response	\$5,699	\$16.96
Fire services (January 2006-August 2007)	11 fires @ \$5,000 per response	\$55,000	\$5,000
Property tax loss from demolition (2006)	(Median assessed value) x (effective tax rate) x (42 structures)	\$25,032	\$596
Property tax loss from delinquency (2006)	Data unavailable	Data unavailable	Data unavailable
ESTIMATED COSTS EXPENDED		\$126,631 to \$185,656	
ESTIMATED COSTS RECOUPED	Assumes little to no costs recouped through billing or assessment	(\$0)	
ESTIMATED NET COSTS		\$126,631 to \$185,656	

(1) Calculated by CRP

4.05d. Perspectives on Vacant and Abandoned Properties in Zanesville

In the process of collecting and analyzing quantitative data on the incidence of and costs associated with vacant and abandoned properties in Zanesville, CRP staff communicated frequently with city staff via telephone and email. CRP staff visited the Zanesville in June 2007 and met with Tim Smith, Chief Code Enforcement Officer for the City of Zanesville, Meg Deedrick, Community Development Director, and Cheryl Sebring, Housing Planner. Mr. Smith also took CRP staff on a driving tour of the city. The following summary reflects perspectives of local officials, shared informally with CRP, and observations of CRP staff, about how Zanesville is addressing vacant and abandoned properties and their impact on the community.

Addressing vacant and abandoned properties

Strong collaboration between Code Enforcement and the court

Tim Smith, Zanesville's Code Enforcement Manager, is credited with reforming and significantly improving the effectiveness of Zanesville's code enforcement program. In 2002, he recognized a need for strong judicial support of code enforcement cases that came before the court, and took the initiative to collaborate with Zanesville's municipal judge. Together they crafted a set of recommended penalty guidelines for property maintenance code violations. Since that time, penalties (or the threat of penalties) have been consistently imposed. As a result, city staff report that property owners respond more readily to Code Enforcement notifications and properties themselves are better maintained.

Citywide inspections

Between 2002 and 2004, Zanesville conducted citywide inspections of all residential and commercial properties, and began to concentrate aggressive code enforcement action, and when necessary, demolition resources, on the approximate 230 properties identified as vacant and abandoned. City staff report that as a result of those targeted actions, property owners took renewed interest in repairing and maintaining their own homes and the effect of blighted, nuisance properties has been diminished.

Strengthening property maintenance code

City staff has identified a need to strengthen the city's property maintenance code by reducing from two years to one year the length of time a property can remain vacant and abandoned with no apparent activity toward repair or abatement. Doing so would allow properties to proceed more quickly to Procedure III demolition notification, thereby hastening their removal from the city's inventory of problem properties. There are plans to submit this legislation to Zanesville City Council by the end of 2007.

Establishing a land bank

Plans to establish a land bank in Zanesville are under discussion among Building and Code Enforcement staff, the mayor's office, and city council. Initial meetings have taken place, with a goal of submitting authorizing legislation to Zanesville City Council by the end of 2007. If established, the city will have an additional tool for acquiring and consolidating vacant lots and prioritizing those lots for eventual redevelopment or reuse.

Impacts of vacant and abandoned properties

Real estate flipping

Starting in about 2002, several out-of-town real estate investors operating in Zanesville purchased and resold, at increasingly inflated prices, nearly 100 properties throughout the city. Many people got caught in what city officials called this flipping scheme, and many properties ended up first in foreclosure, and ultimately, on the list of vacant and abandoned buildings the city is now attempting to address.

Legal possession of abandoned property

City staff expressed frustration over two problems associated with ownership of vacant and abandoned properties. The first is when banks or mortgage holders refuse to transfer and file change of ownership on foreclosed properties. When vacant properties fall into disrepair and Code Enforcement tries to locate a legally responsible party, often times they must often file court action against the lender to force compliance. The second is when vacant and abandoned property in Zanesville sits idle for years when heirs fail to probate their title to the estate after a property owner dies. Even when there are interested buyers, the city has no legal means of marketing the property.

Lost opportunity

City staff reported that lost opportunities, though difficult to quantify, are often associated with vacant and abandoned property in Zanesville. Already mentioned are the lost opportunities to market a property when it is tied up in legal proceedings or when there is no easy way to obtain legal rights to the property. Linked to this are lost opportunities to redevelop properties for low- to moderate-income households, a mission of the city's Community Development Department. The opportunity to sell a home for its worth, were it not located on the same street as a vacant and abandoned property, was also mentioned.

First impressions

Zanesville is located directly off Interstate 70, and a concern among city officials has been how a newcomer's first impression of the city might be affected by the sight of vacant and abandoned run-down properties that are visible from the highway. For this reason, Code Enforcement has prioritized abatement and clean up activities along entry points to the city from the interstate.

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Neighborhood Assessments

This section includes an overview of the problem of vacant and abandoned properties in Cleveland and Columbus and an examination of patterns of vacant and abandoned houses and values of occupied residences in three neighborhoods in each city.

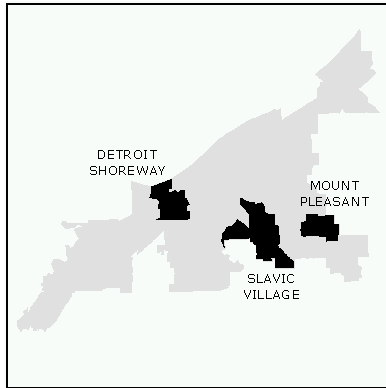
5.01 Cleveland

- Detroit Shoreway
- Mount Pleasant
- Slavic Village

5.02 Columbus

- Franklinton
- Livingston-Driving Park
- North Linden

5.01 Cleveland Summary



In November 2007, there were an estimated inventory of 7,041 vacant and abandoned buildings and 5,367 vacant and abandoned lots in Cleveland. Three Cleveland neighborhoods were the focus of the assessment—Detroit Shoreway, Mount Pleasant, and Slavic Village. These neighborhoods, which together represented 14% of the city's population in 2000, had 29% of all reported vacant residential buildings in Cleveland (1,541), and 7% of all vacant lots (381).

5.01a. Cleveland Profile

The City of Cleveland, located in northeast Ohio, had an estimated 2006 population of 444,313, representing a 12% decrease from the city's 1990 population. In 2006, the median assessed value of all 1- to 3-unit residential properties in Cleveland was \$67,514. Of these, 43% were built before 1920, and 75% were built before 1940. From 2002 to 2006, the assessed value of 52.1% of these properties increased by 25% or more.

- **Detroit Shoreway.** The Detroit Shoreway neighborhood had an estimated population of 14,387 in 2000, down 5% from 1990. In 2006, the median assessed value of all 1- to 3-unit residential properties (3,496 properties) was \$50,028. Of these, 85% were built before 1920, and 96% were built before 1940. From 2002 to 2006, 85% of these properties increased in assessed by 25% or more.
- **Mount Pleasant.** Mount Pleasant's estimated population in 2000 was 23,197, a decrease of 8% from 1990. 1- to 3-unit residential properties had a median assessed value of \$64,628 in 2006 (5,477 properties). Twenty-two percent were built before 1920, and 85% before 1940. The assessed value of 54% of these properties increased by 25% or more from 2002 to 2006.
- **Slavic Village.** The estimated population of Slavic Village in 2000 was 30,524, an increase of 3.6% from 1990. In 2006, 1- to 3-unit residential properties had a median assessed value of \$50,028 (7,291 properties), 74% were built before 1920, and 94% were built before 1940. The assessed value of 65% of these properties increased by 25% or more from 2002 to 2006.

5.01b. Incidence of vacant and abandoned properties

In November 2007, Cleveland's Department of Community Development estimated that there were 7,014 vacant properties citywide. This estimate was based on reporting by 27 Community Development Corporations (CDC), and includes primarily residential structures. Based on these data, which cover nearly all residential areas of the city, CRP estimates that 5.6% of residential structures in the City of Cleveland are currently vacant. The city's land bank database, which includes 5,367 properties, provides an estimate of the number of vacant and abandoned lots in Cleveland.

- **Detroit Shoreway.** In May 2007, there were 199 structures identified as vacant by the Detroit Shoreway CDC, or 5% of all residential buildings in the neighborhood. Large proportions of these were single-family (46%) and 2-3 unit (44%) buildings. Compared to the other study neighborhoods in Cleveland, Detroit Shoreway has a dispersed pattern of vacancy, evidenced by data that show nearly half (47%) of vacant residences are located on a block with no other, or only one other, vacant residence. In 2006, less than 2% of lots in Cleveland's land bank were located in Detroit Shoreway (99 lots).
- **Mount Pleasant.** In April 2007, the Mount Pleasant CDC identified 487 vacant structures, comprising 8% of all residential buildings in the neighborhood. Single-family and 2-3 unit buildings made up the largest proportion of vacancies (47% and 44%, respectively). Their pattern of dispersion is concentrated throughout the neighborhood. Nearly two-thirds (62%) of vacant residences are located on a block with three or more other vacancies, and only 10% are located on a block with no other vacancy. Similar to the other study neighborhoods, about 2% of lots in the city's land bank were located in Mount Pleasant in 2006 (122 lots).
- **Slavic Village.** In May 2007, the Slavic Village CDD identified 855 vacant structures, comprising 11% of all residential buildings in the neighborhood. Over half of these were single-family buildings (58%). There are few areas of Slavic Village untouched by vacant properties (48% are located on a block with three or more other vacancies); and although 17% occur on a block with no other vacancy, these areas are scattered throughout the neighborhood. In 2006, 3% of lots in Cleveland's land bank were located in Slavic Village (160 lots).

5.01c. Local government costs of vacant and abandoned properties

The following are costs incurred from 2006 to 2007 by the City of Cleveland and other local taxing districts as a result of vacant and abandoned properties:

- **Direct municipal costs.** \$1.2 million to demolish 153 primary structures citywide, including \$161,000 to demolish 31 structures in the three study neighborhoods; \$3.3 million for grass cutting and trash removal citywide (neighborhood costs were not available); and \$305,000 in costs related to fires at vacant and abandoned residential buildings in the study neighborhoods only
- **Lost tax revenue.** \$30.7 million in property tax loss from building demolition and tax delinquency citywide, including \$3.2 million in the study neighborhoods

5.01d. Vacancy and neighborhood property values

The research examined patterns of property values in the three study neighborhoods in relationship to the location of vacant and abandoned properties. This was done by examining median assessed values and median sales prices of residential properties, grouped by their proximity to vacant residences. Proximity was analyzed in two ways: 1) "as the crow flies" distance from vacancies; and 2) on the same block face as vacancies. The research did not include statistical analysis to test for cause and effect or correlations, or to account for differences in the physical characteristics or locations of the housing stock within a neighborhood.

- **Detroit Shoreway: mixed patterns of value and price.** In 2006, 67% of all occupied 1- to 3-unit properties in Detroit Shoreway were located within 299 feet of a vacant residence, and 42% were located on a block with at least one vacant property. In 2005 and 2006, 66% of all residential properties sold in Detroit Shoreway were located within 299 feet of a vacant residence.

The Detroit Shoreway neighborhood exhibited a mixed pattern of housing values and sales prices in relationship to vacancies. There were some expected patterns, where changes in value or price were lowest for properties closest to vacant properties. This was most evident where there were three or more vacancies on the same block face. However, some of the Detroit Shoreway analysis showed little difference in value or price across groups, or a mixed “up and down” pattern, based on proximity to vacant properties.

- **Mount Pleasant: no discernable pattern of value and price.** In 2006, 77% of all occupied 1- to 3-unit properties in Mount Pleasant were located within 299 feet of a vacant residence, and 55% were located on a block with at least one vacant property. In 2005 and 2006, 76% of all residential properties sold in Mount Pleasant were located within 299 feet of a vacant residence.

In the Mount Pleasant neighborhood vacancy is widespread, and there was little difference in assessed values and sales prices between groups of homes close to vacancies and properties located farther away. Only about \$500-\$2,000 separated the housing values and sales prices across all groups, with no discernable pattern evident. Mount Pleasant also exhibited some “flattening” of the market over time, where price differences across the neighborhood housing market evident in the earlier years had diminished over time.

- **Slavic Village: unexpected patterns and evidence of property flipping.** In 2006, 93% of all occupied 1- to 3-unit properties in Slavic Village were located within 299 feet of a vacant residence, and 79% were located on a block with at least one vacant property. In 2005 and 2006, 93% of all residential properties sold in Slavic Village were located within 299 feet of a vacant residence.

A counterintuitive pattern, where properties closest to vacancies had the greatest increases in value and price, was the pattern in Slavic Village. This appears to be evidence of property flipping, unscrupulous real estate practices, or both. Although the research did not include an analysis of property flipping, the appendix includes data on properties in the Cleveland neighborhoods with more than one title transfer in a year. In Slavic Village, from 2004-2006, there were 223 of these transfers that had an increase in sales price of 100% or more.

5.01e. Perspectives on vacant and abandoned properties in Cleveland

- **Addressing vacant and abandoned properties.** Cleveland’s network of CDCs plays a lead role in addressing vacant and abandoned properties. In 2006, CDCs provided the city with parcel-level inventories of vacant and abandoned properties within their neighborhoods. Cleveland’s Model Block Program, in partnership with Neighborhood Progress, Inc., also works with CDCs to target development and marketing resources toward building “model blocks” on neighborhood streets around large, new housing and commercial projects. One

objective of the program is the elimination of vacant, abandoned, or eyesore properties. Other ways the City of Cleveland addresses vacant and abandoned properties include issuing bonds to increase the city's demolition budget in 2007, and supporting the work of various foreclosure prevention and early intervention initiatives. Cleveland's Housing Court has also implemented numerous initiatives aimed at addressing and resolving ownership and maintenance issues associated with vacant and abandoned property.

- **Impacts of vacancy and abandonment.** Vacant and abandoned properties in Cleveland's three study neighborhoods provide a thriving scene for property crime. Numerous vacant houses are completely stripped of copper pipes, fixtures, and aluminum siding. This crime spills over to renovated or newly constructed homes as well. Neighborhoods with high numbers of vacant properties have also become the target of investors seeking to flip properties and predatory lenders making unscrupulous refinance or renovation loans to low-income or elderly residents. Vacant and abandoned property, mortgage foreclosures, and Cleveland's depressed housing market have also had negative affects on the city's ability to collect revenue and borrow money for development projects.

5.01a. Cleveland Profile

This section provides an overview of the population and housing stock as a context for the analysis of vacant and abandoned properties in the Detroit Shoreway, Mount Pleasant, and Slavic Village neighborhoods in Cleveland.

Population profile

The City of Cleveland is located in Cuyahoga County in northeast Ohio, along the shore of Lake Erie. In 2006, the city's total estimated population was 444,313, making it the second largest city in Ohio. The city's 2006 population represents a 12.1% drop from its 1990 population of 505,616. Cleveland is racially and ethnically diverse, with well over half of its population comprising racial and ethnic minorities. The city's 2000 poverty rate (26.3%) and unemployment rate (11.2%) were high compared to Ohio overall (10.6% and 5.0%, respectively). The city's median household income (\$25,928) was less than two-thirds of Ohio's median (\$40,956) (Table CLE-1).

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Table CLE-1. Demographic Characteristics, Cleveland and Study Neighborhoods

	CLEVELAND	DETROIT SHOREWAY	MOUNT PLEASANT	SLAVIC VILLAGE
Estimated population, 2006	444,313	NA	NA	NA
Total population, 2000 (1)	478,403	14,387	23,197	30,524
% change 1990-2000	-5.4%	-5.3%	-7.6%	3.6%
Percent white population	41.5%	62.4%	0.7%	69.1%
Percent non-white population (2)	58.5%	37.6%	99.3%	30.9%
Median household income, 1999 (3)	\$25,928	\$22,679	\$25,435	\$24,629
Poverty rate, 1999	26.3%	35.5%	24.6%	27.4%
Unemployment rate, 2000	11.2%	12.8%	13.4%	12.1%

Source: U.S. Census Bureau: Annual Population Estimates; Census 1990 and 2000 Summary File 1 and 3; Neighborhood Change Database (NCDB) 1970-2000 Tract Data (GeoLytics, Inc.)

- (1) For neighborhoods, census data is presented for the set of tracts that best represents the neighborhood area. Total population in 1990 and population change within neighborhoods are drawn from NCDB, which reconciles tract alignment and data across decennial censuses.
- (2) Non-white includes Census categories: Black or African American alone; American Indian and Alaska Native alone; Asian alone; Native Hawaiian and Other Pacific Islander alone; some other race alone; and two or more races
- (3) Median household income within neighborhoods was calculated by CRP as the household-weighted average of the median household incomes for tracts comprising the neighborhood

Detroit Shoreway

The Detroit Shoreway neighborhood is located on the near west side of Cleveland, along the shore of Lake Erie (Map DS-1). In 2000, Detroit Shoreway had an estimated population of 14,387, a decrease of 5.3% since 1990. Detroit Shoreway is the smallest of the three Cleveland neighborhoods in the study, and the population is not as racially or ethnically diverse as the city overall (62.4% white population in 2000). In 2000, the Detroit Shoreway neighborhood had the highest poverty rate, and the lowest median household income, among the three study neighborhoods (Table CLE-1).

Mount Pleasant

The Mount Pleasant neighborhood is located in southeast Cleveland (Map MP-1). In 2000, Mount Pleasant had an estimated population of 23,197, a decrease of 7.6% since 1990, and the largest decrease among the three study neighborhoods. The neighborhood's population is almost exclusively composed of racial and ethnic minorities (99.3% non-white population in 2000). In 2000, the Mount Pleasant neighborhood had the lowest poverty rate, and the highest median household income, among the three study neighborhoods (Table CLE-1).

Slavic Village

Slavic Village is located on the southeast side of Cleveland (Map SV-1). Slavic Village's estimated 2000 population was 30,524. It is the largest of the study neighborhoods and the only one to have gained population since 1990 (+3.6%). In 2000, Slavic Village had the largest white population percentage (69.1%) of the three neighborhoods (Table CLE-1).

Housing profile

This section includes data on the composition and character of the housing stock in Cleveland and the three study neighborhoods from two data sources. The Cuyahoga County Auditor records data on residential property types (Tables CLE-2, 3, 4, 5). Each property, no matter how many units, is counted once. The Census counts each housing unit within a residential building (Table CLE-6). In 2006, there were 124,920 residential properties in Cleveland, while Census 2000 identified 215,844 housing units in the city.

Composition of the housing stock

Over two-thirds Cleveland's residential properties consists of single-family units (68.5%), and nearly all residential properties are either one, two, or three-unit properties (95.3%) (Table CLE-2). The three study neighborhoods have lower percentages of single family properties than does Cleveland, with Detroit Shoreway having the smallest single-family inventory.

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Table CLE-2. Residential Properties by Number of Housing Units, Cleveland and Study Neighborhoods, 2006

	CLEVELAND	DETROIT SHOREWAY	MOUNT PLEASANT	SLAVIC VILLAGE
Total residential properties	124,920	3,871	5,831	7,826
Single-family units	68.5%	51.6%	54.4%	60.0%
2 to 3-units	26.8%	38.7%	39.5%	33.2%
4+ units	2.9%	5.8%	4.3%	3.4%
Mixed-use	1.8%	3.9%	1.8%	3.5%

Source: Cuyahoga County Auditor data (provided by the Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State University)

Age of the housing stock

The housing stock in the City of Cleveland is quite old, with nearly three-quarters constructed in 1939 or earlier, and only 2.9% built in 1980 or after (Table CLE-3). However, the age of the housing stock is even older in Detroit Shoreway and Slavic Village, with 85% and 74%, respectively, constructed before 1920. The housing in Mount Pleasant is somewhat newer than in the other neighborhoods, with over three-quarters built in 1920 or after.

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Table CLE-3. Year of Construction of 1- to 3-unit Residential Properties, Cleveland and Study Neighborhoods

	CLEVELAND	DETROIT SHOREWAY	MOUNT PLEASANT	SLAVIC VILLAGE
Total 1 to 3-unit properties	119,022	3,496	5,477	7,291
1919 or earlier	43.4%	85.0%	22.1%	74.1%
1920-1939	30.5%	10.8%	63.2%	20.3%
1940-1959	19.6%	0.4%	9.9%	2.8%
1960-1979	3.5%	0.0%	2.8%	0.6%
1980 or after	2.9%	3.3%	1.9%	1.8%
Year not available	0.2%	0.5%	0.0%	0.4%

Source: Cuyahoga County Auditor data (provided by the Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State University)

Assessed housing values

In Cleveland, the median assessed value for all single, two, and three-unit residences was \$67,514 in 2006 (Table CLE-4). Between 2002 and 2006, a large majority (81%) of these properties increased in assessed value by from 10% to 49%, with only 14% of all properties increasing by 50% or more (Table CLE-5).

Although Detroit Shoreway had a lower median assessed housing value in 2006 (\$50,028) than did Cleveland, the area had much greater increases from 2002-2006. Eighty-five percent of all units had an increase in assessed value of 25% or more, with 35% increasing by 50% or more. Slavic Village also had a 2006 median assessed housing value below that of Cleveland, but about two-thirds of all properties had a 25% or greater increase in assessed values, and 21% increased by 50% or more. Assessed values in Mount Pleasant were similar to those for the city as a whole, with a 2006 median value of \$64,628, and 87% of properties having an increase in assessed values of from 10% to 49% from 2002-06. In Slavic Village, only 10% of property values increased by 50% or more.

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Table CLE-4. Assessed Value of 1 to 3-unit Residential Properties, Cleveland and Study Neighborhoods, 2006

	CLEVELAND	DETROIT SHOREWAY	MOUNT PLEASANT	SLAVIC VILLAGE
Median assessed value	\$67,514	\$50,028	\$64,628	\$50,028
25 th percentile value	\$49,914	\$37,028	\$56,914	\$37,314
75 th percentile value	\$86,914	\$65,114	\$73,400	\$62,600
Highest value	\$1,740,714	\$275,914	\$162,914	\$211,085

Source: Cuyahoga County Auditor data (provided by the Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State University)

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Table CLE-5. Change in Assessed Value of 1 to 3-unit Residential Properties, Cleveland and Study Neighborhoods, 2002-2006

	CLEVELAND		DETROIT SHOREWAY		MOUNT PLEASANT		SLAVIC VILLAGE	
Total properties (1)	118,323	100.0%	3,433	100.0%	5,879	100.0%	8,027	100.0%
Decrease 10% +	2,991	2.5%	125	3.6%	125	2.1%	298	3.7%
Static (-9% to +9%)	3,541	3.0%	77	2.2%	92	1.6%	189	2.4%
Increase 10-24%	50,143	42.4%	316	9.2%	2,519	42.8%	2,353	29.3%
Increase 25-49%	45,492	38.4%	1,702	49.6%	2,585	44.0%	3,572	44.5%
Increase 50-99%	11,064	9.4%	738	21.5%	452	7.7%	1,089	13.6%
Increase 100% +	5,092	4.3%	475	13.8%	106	1.8%	526	6.6%

Source: Cuyahoga County Auditor data (provided by the Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State University)

- (1) Total includes 1-3 unit residential properties built before 2002 (the year of initial assessment) that were still standing in 2006 (the year of the second assessment)

Housing tenure

Vacant housing is categorized by the U.S. Census according to the reason for vacancy, such as being for rent, sale or seasonal use. Vacant units that cannot be classified in one of these categories are included in an “other vacant” category.

In 2000, the census identified a total of 25,218 vacant housing units in Cleveland (11.7%), with 8,288 units (32.9%) in the “other vacant” category, an increase of 1,305 units since 1990 (Table CLE-6). Nearly half (48.5%) of Cleveland’s occupied housing units were owner-occupied in 2000.

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Table CLE-6. Housing Tenure: Cleveland and Study Neighborhoods, 2000

	CLEVELAND	DETROIT SHOREWAY	MOUNT PLEASANT	SLAVIC VILLAGE
Total housing units	215,856	7,772	10,377	13,840
Change 1990-2000	-3.8%	-2.9%	-1.4%	-2.6%
Owner occupied (1)	42.9%	28.2%	42.5%	42.7%
Renter occupied	45.4%	58.2%	44.1%	44.0%
Vacant	11.7%	13.6%	13.4%	13.3%
Vacant for rent	11,929	473	768	710
Vacant for sale only	2,028	82	124	184
Vacant rented or sold, not occupied	2,206	45	94	247
Seasonal, recreational, or occasional use	763	24	7	32
Migrant worker units	4	2	0	0
Other vacant	8,288	431	394	661
Total vacant	25,218	1,057	1,387	1,834

Source: U.S. Census Bureau: Census 1990 and 2000 Summary File 1; Neighborhood Change Database (NCDB) 1970-2000 Tract Data (GeoLytics, Inc.)

- (1) For neighborhoods, census data is presented for the set of tracts that best represents the neighborhood area. Total, occupied, and owner-occupied units and change 1990-2000 are drawn from NCDB, which reconciles tract alignment and data across decennial censuses.

In Detroit Shoreway, only about one-third of all occupied housing units were owner-occupied in 2000. The other neighborhoods had owner-occupancy rates nearly identical to the rate for the City of Cleveland.

All three of the study neighborhoods have Census vacant housing figure of about 13%, approximately two percentage points about the rate for the city. In the Detroit Shoreway neighborhood, 431 of these vacant units (40.8%) were classified as “other vacant,” well above the city figure. Slavic Village had 661 vacant units (36.0%) in the “other vacant” category. The percent of other vacant units in Mount Pleasant (28.4%) was the lowest of the three neighborhoods and similar to the figure for the City of Cleveland.

5.01b. Cleveland: Incidence of Vacant and Abandoned Properties

This section describes the method used to track vacant and abandoned properties in Cleveland, and provides an overview of the magnitude of vacancy and abandonment the city, and detailed information about the incidence of vacant and abandoned properties in the Detroit Shoreway, Mount Pleasant, and Slavic Village neighborhoods. The analysis of incidence of vacant and abandoned properties looks separately at vacant buildings and vacant lots without buildings.

Incidence of vacant and abandoned properties in Cleveland

City of Cleveland method for tracking vacant and abandoned properties

In 2006, the City of Cleveland enlisted the assistance of its network of publicly supported community development corporations (CDC) to provide a parcel-level inventory of vacant and abandoned properties within neighborhoods across the city. Cleveland has approximately 37 neighborhood planning areas, most with their own CDC. The city provided an Excel spreadsheet that could be used for data collection, but there was variation in the way that CDCs chose to provide their inventory to the city. Some CDCs chose to include vacant lots without structures in their inventories, while others included only properties with vacant buildings.

As of November 2007, the city had received inventory data from 27 CDCs, which comprise the full list of organizations participating in the data collection process. Not included are areas which are predominately non-residential (i.e. downtown, The Flats, the Warehouse District) and areas without an active CDC or where the CDC is not funded by the city.

Incidence of vacant and abandoned buildings

Based on the data from the 27 CDC vacant properties inventories, the Cleveland Department of Community Development reported that, as of November 2007, there were 7,014 buildings in the city that meet the definition of vacant and abandoned established for this study. Based on these data, CRP estimates that 5.6% of residential properties in Cleveland are vacant and abandoned.

Incidence of vacant and abandoned land

Because not all CDCs conducting vacant property inventories within their neighborhoods collected data on vacant lots, CRP used data from Cleveland's land bank database as a proxy for the citywide incidence of vacant and abandoned land. In 2006, Cleveland's land bank held 5,367 properties. Land bank lots are owned and maintained by the city, and often come into the city's possession following the municipal demolition of a condemned structure. Cleveland has a long-established and very active land bank program that is used to return these tax-delinquent properties to productive use. Much of this work, in fact, is accomplished by giving land to local CDCs for new housing development.

Detroit Shoreway: vacant and abandoned residential property

Incidence of vacant and abandoned buildings

In May 2007, there were 199 residential structures identified as vacant by the Detroit Shoreway CDC. Based on this reporting, the Detroit Shoreway neighborhood has a residential vacancy rate of 5.1% (Table DS-1; Map DS-1). The largest numbers of these buildings are single-family (46.2%) and two- to three-unit (44.2%) buildings.

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Table DS-1. Vacant Residential Buildings by Type: Detroit Shoreway, 2007

	RESIDENTIAL BUILDINGS	PERCENT OF VACANT BUILDINGS
Total residential buildings	3,871	
Percent vacant	5.1%	
Total vacant residential buildings	199	100.0%
Single-family units	92	46.2%
2 to 3 units	88	44.2%
4+ units	13	6.5%
Mixed-use	6	3.0%

Source: Detroit Shoreway CDC and Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State University



Condemned and due for demolition



Mortgage lien on property



Completely stripped of siding



Condemned and due for demolition

Location of vacant and abandoned buildings

The Detroit Shoreway has a dispersed pattern of vacancy, with over 50% of the neighborhood's residential vacant properties located on a block with no other, or only one other, vacant residence (Table DS-2). Only 30% of all vacant and abandoned residences are located on a block with at least three other vacant residences. The highest concentration of vacant residences is located in the southwest portion of the Detroit Shoreway, south of Madison Avenue and west of W. 65th Street. In contrast, the areas south of Loraine Avenue are nearly untouched by vacancy (Map DS-1).

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Table DS-2. Clustering of Vacant Residential Buildings by Block: Detroit Shoreway, 2007 (1)

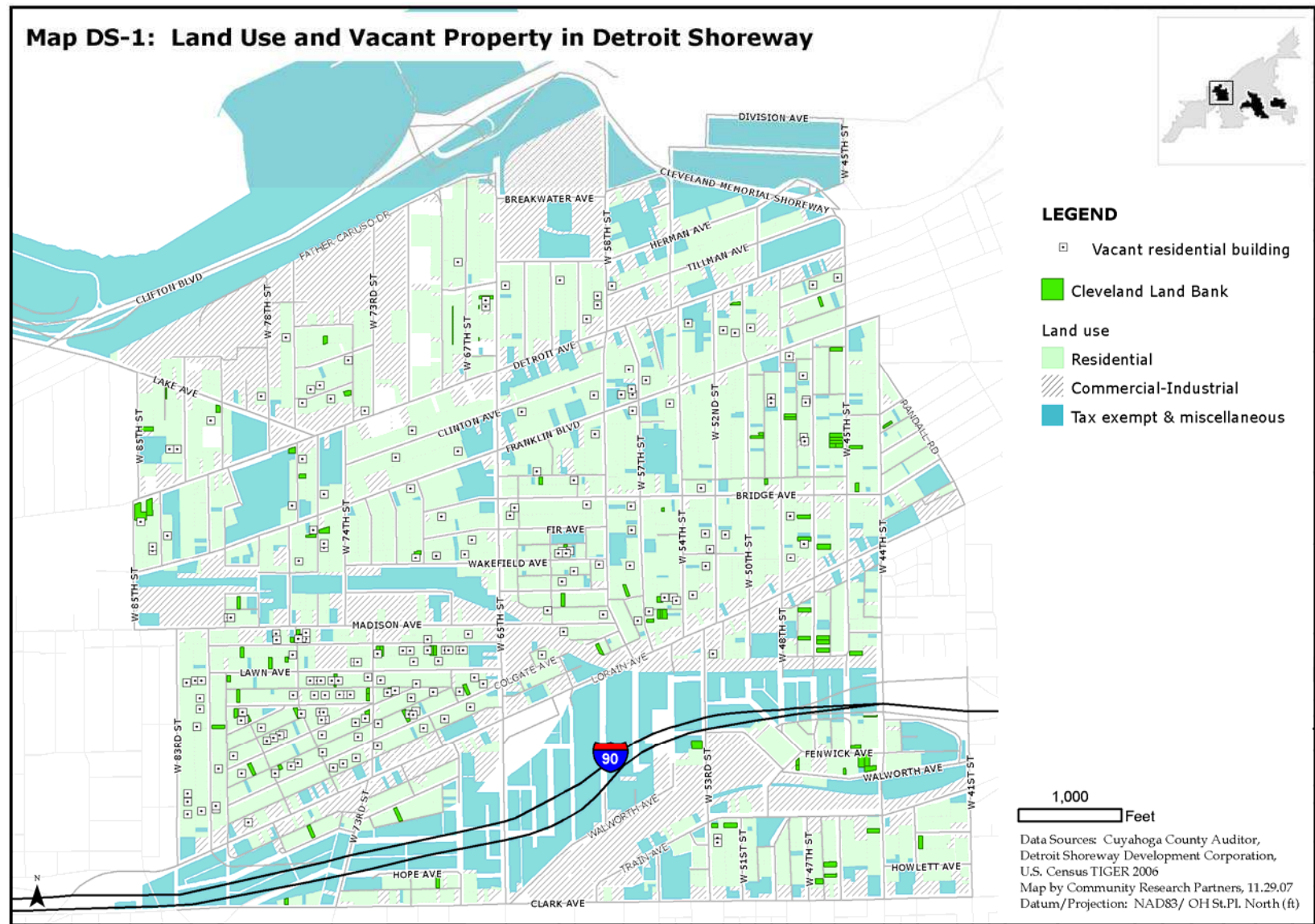
	NUMBER OF VACANT BUILDINGS	PERCENT OF VACANT BUILDINGS
Total vacant residential buildings (1 to 4+ units)	193	100.0%
Vacant residence on block with no other vacant	55	28.5%
On block with 1 other vacant residence	36	18.7%
On block with 2 other vacant residences	45	23.3%
On block with 3+ other vacant residences	57	29.5%

Source: Detroit Shoreway CDC; Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State University Cleveland State University; U.S. Census Bureau, 2006 Second Edition TIGER/Line® Files

(1) A block is defined as an individual street segment as available in TIGER 2006. Vacant properties are assigned to blocks based on the County Auditor's location address.

Vacant and abandoned land

In 2006, 99 lots in Cleveland's land bank were located within the Detroit Shoreway neighborhood (Map DS-1).



Mount Pleasant: Vacant and abandoned residential property

Incidence of vacant and abandoned buildings

In April 2007, there were 487 residential structures identified as vacant by the Mount Pleasant CDC. Based on this reporting, the Mount Pleasant neighborhood has a residential vacancy rate of 8.4%. The largest numbers of these buildings are single-family (47.0 %) are single-family and are two- to three-unit (43.7%) buildings (Table MP-1).

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Table MP-1. Vacant Residential Buildings by Type: Mount Pleasant, 2007

	RESIDENTIAL BUILDINGS	PERCENT OF VACANT BUILDINGS
Total residential buildings	5,831	
Percent vacant	8.4%	
Total vacant residential buildings	487	100.0%
Single-family units	229	47.0%
2 to 3 units	213	43.7%
4+ units	33	6.8%
Mixed-use	12	2.5%

Source: Mount Pleasant CDC and Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State University



Three vacant residences in a row



"No copper pipes" spray painted on boards



Apparent gang symbol painted on board



Vacant commercial properties

Location of vacant and abandoned buildings

Concentrations of vacant buildings are found throughout the Mount Pleasant neighborhood, and 78% of vacant residences are located on a block with two or more other vacant buildings (Table MP-2). Only 9.7% of Mount Pleasant's vacant residential properties occur on a block with no other vacant residences. The greatest concentration of vacant residences is in an east-west swath through the middle of the neighborhood (Map MP-1). The areas north of Kinsman, and east of E. 130th, and south of Union and east of E. 116th and west of E. 131st, have few vacancies.

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Table MP-2. Clustering of Vacant Residential Buildings by Block: Mount Pleasant, 2007 (1)

	NUMBER OF VACANT BUILDINGS	PERCENT OF VACANT BUILDINGS
Total vacant residential buildings (1 to 4+ units)	475	100%
Vacant residence on block with no other vacant	46	9.7%
On block with 1 other vacant building	58	12.2%
On block with 2 other vacant buildings	75	15.8%
On block with 3+ other vacant buildings	296	62.3%

Source: Mount Pleasant CDC; Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State University Cleveland State University; U.S. Census Bureau, 2006 Second Edition TIGER/Line® Files

(1) A block is defined as an individual street segment as available in TIGER 2006. Vacant properties are assigned to blocks based on the auditor's location address.

Mount Pleasant: Vacant and abandoned land

In 2006, 122 lots in Cleveland's land bank were located within the Mount Pleasant neighborhood (Map MP-1).



1,000
Feet

Data Sources: Cuyahoga County Auditor,
Mount Pleasant NOW Development Corp.,
U.S. Census TIGER 2006
Map by Community Research Partners, 11.29.07
Datum/Projection: NAD83/ OH St.Pl. North(ft)

Slavic Village: Vacant and abandoned residential property

Incidence of vacant and abandoned buildings

In March 2007, there were 855 residential structures identified as vacant by the Slavic Village CDC. Based on this reporting, the Slavic Village neighborhood has a residential vacancy rate of approximately 10.9%, the highest of the three neighborhoods. Of these, 57.9% are single-family residences (Table SV-1).

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Table SV-1. Vacant Residential Buildings by Type: Slavic Village, 2007

	RESIDENTIAL BUILDINGS	PERCENT OF VACANT BUILDINGS
Total residential buildings	7,826	
Percent vacant	10.9%	
Total vacant residential buildings	855	100.0%
Single-family units	495	57.9%
2 to 3 units	324	37.9%
4+ units	25	2.9%
Mixed-use	11	1.3%

Source: Slavic Village CDC and Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State University



3 vacant and abandoned residences



Trash outside of vacant residence



Stripped bathroom pipes



Stripped and peeling siding

Location of vacant and abandoned buildings

There are few areas of Slavic Village untouched by vacant properties. Nearly 70% of the vacant residences in Slavic Village are located on a block with two or more other vacant buildings (Table SV-2). Although 16.9% of residential vacant properties occur on a block with no other vacant residences, these are spread throughout the neighborhood, and only a small area west of Turney Road has no vacant buildings. The highest concentrations of vacant residences in Slavic Village are found in the northern and far southeast areas of the neighborhood (Map SV-1).

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Table SV-2. Clustering of Vacant Residential Buildings by Block: Slavic Village, 2007 (1)

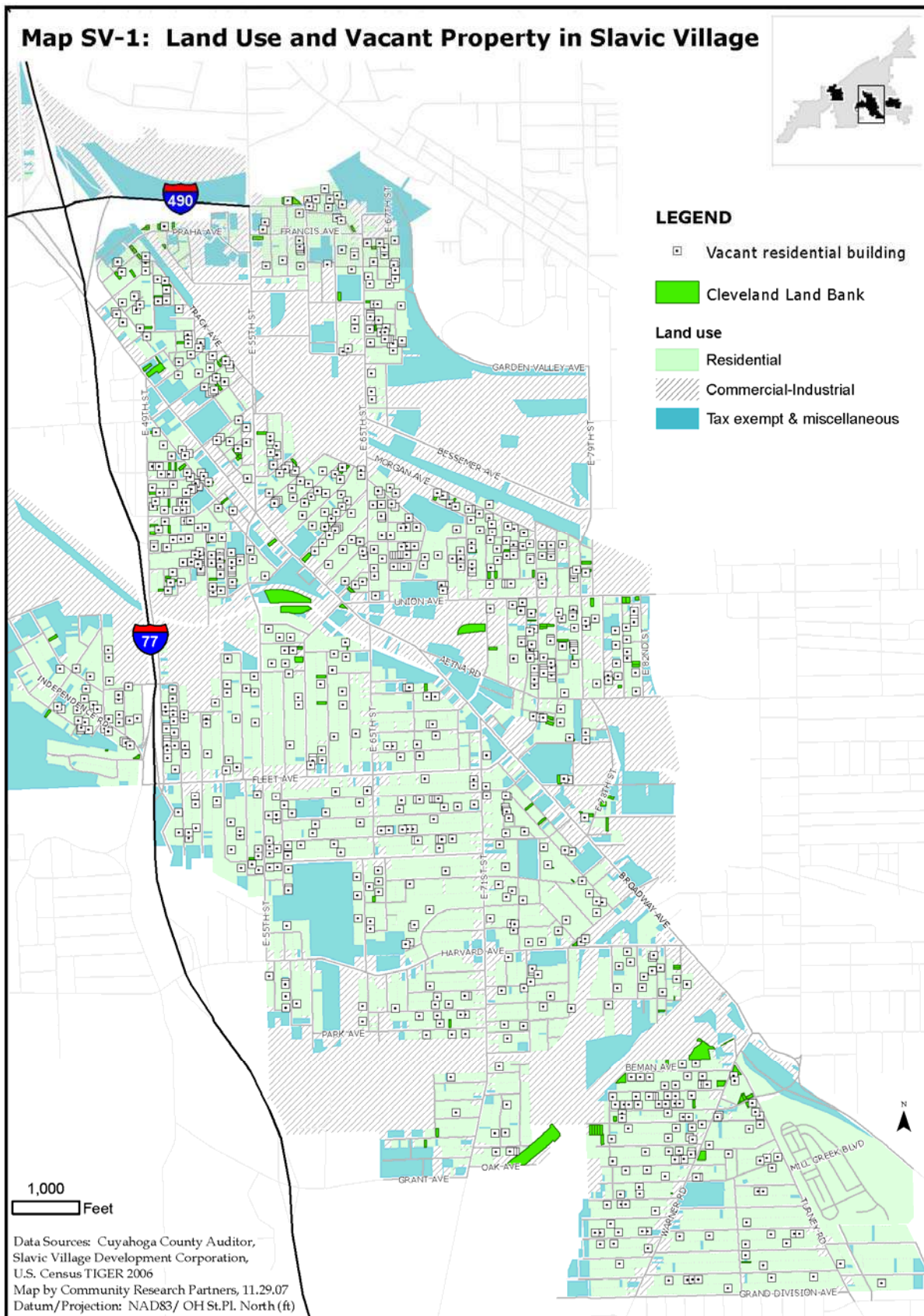
	NUMBER OF VACANT BUILDINGS	PERCENT OF VACANT BUILDINGS
Total vacant residential buildings (1 to 4+ units)	844	100%
Vacant residence on block with no other vacant	143	16.9%
On block with 1 other vacant building	118	14.0%
On block with 2 other vacant buildings	177	21.0%
On block with 3+ other vacant buildings	406	48.1%

Source: Slavic Village CDC; Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State University Cleveland State University; U.S. Census Bureau, 2006 Second Edition TIGER/Line® Files

(1) A block is defined as an individual street segment as available in TIGER 2006. Vacant properties are assigned to blocks based on the auditor's location address.

Slavic Village: Vacant and abandoned land

In 2006, 160 lots in Cleveland's land bank were located within the Slavic Village neighborhood (Map SV-1).



5.01c. Cleveland: Local Government Costs of Vacant Properties

This section examines the financial impact of vacant and abandoned properties on the City of Cleveland and other local jurisdictions. This includes:

- **Direct costs to local government.** The City of Cleveland's costs related to addressing vacant and abandoned properties, including demolition, mowing and trash removal, and the cost of fire services to address fire incidents in vacant residential buildings.
- **Lost tax revenue.** The reduction in property tax collections resulting from vacant building demolition and delinquent, unpaid taxes on vacant and abandoned buildings and lots.

In certain instances, data on local government costs were available at a citywide level, and in others, only for the three study neighborhoods.

Direct costs to the City of Cleveland

Demolition costs

In 2006, the City of Cleveland spent a total of \$1,234,666 to demolish 153 primary structures (148 residential and five commercial). Eleven demolitions were within the Detroit Shoreway neighborhood (total expended: \$55,842), five were in Mount Pleasant (total expended: \$32,077), and 15 were in Slavic Village (total expended: \$73,407).

Property maintenance costs: grass mowing and trash removal

Based on an estimate provided by Cleveland's Department of Parks and Recreation, the city incurs expenditures/expenses of approximately \$3,275,000 annually for maintaining the appearance of vacant and abandoned properties, citywide. This cost includes costs of labor, materials, equipment service, and other necessary overhead. Cost figures for the study neighborhoods were not available.

Fire services

Between January 2006 and August 2007, a total of 2,058 building fires occurred within the City of Cleveland, 1,546 of which were in residential buildings. The city cost per run is estimated to be \$5,000 per fire incident (see Section 1 for cost methodology).

- **Detroit Shoreway:** Of the 101 residential fires, 12 were in buildings identified by the CDC as vacant, for a city cost of \$60,000 for vacant property fire runs. Vacant residences comprise 5.1% of all residential properties in Detroit Shoreway, but represented 11.9% of residential fires over a 20-month period.
- **Mount Pleasant:** Of the 85 residential fires, 14 were in buildings identified by the CDC as vacant, for a city cost of \$70,000 for vacant property fire runs. Vacant residences make up 8.4% of all residential properties in Mount Pleasant, but comprised 16.5% of residential fires.

- Slavic Village: Of the 162 residential fires, 35 in were in buildings identified by the CDC as vacant, for a city cost of \$175,000 for vacant property fire runs. Though only 11% percent of all residential structures in Slavic Village are vacant, fires in vacant buildings represented 21.6% of all residential fires.

Lost tax revenue

Tax loss due to demolition

In Detroit Shoreway, the estimated property tax loss (see Section 1 for methodology) from the demolition of 11 residential structures in 2006 was \$32,450. The estimated loss from the demolition of five structures in Mount Pleasant was \$13,495. In Slavic Village, the estimated tax loss from the demolition of 15 structures was \$35,715. Based on the average tax loss from demolition in the three neighborhoods (\$2,677), the total tax loss from the 153 primary structures that were demolished in Cleveland in 2006 was \$409,545.

Tax loss due to delinquency of vacant and abandoned buildings

The current tax delinquency (through 2006) for vacant and abandoned buildings in Cleveland is estimated to be \$6,677,059 citywide. This was calculated by taking the percent of vacant and abandoned buildings that were tax delinquent in 2006 in the three study neighborhoods (39.1%), and the average delinquency amount for these buildings (\$2,436.83), and applying it to the citywide vacant and abandoned building inventory of 7,014 properties. The following is the tax loss from tax delinquent vacant and abandoned buildings in the study neighborhoods:

- In Detroit Shoreway, 34% of vacant properties were delinquent in 2006 (67 out of 199), totaling \$161,139 in lost tax revenue.
- In Mount Pleasant, 41% of vacant properties were tax delinquent in 2006 (202 out of 487), totaling \$484,250 in lost tax revenue.
- In Slavic Village, 39% of vacancies were delinquent (333 out of 855), totaling \$821,584 in lost tax revenue.

Tax loss due to delinquency of vacant and abandoned lots

The tax loss from currently tax delinquent vacant and abandoned residential lots in Cleveland is estimated to be \$23,641,416. The number of vacant and abandoned lots in Cleveland is assumed to be the number of properties in the Cleveland Land Bank (5,367). The estimated tax delinquency per lot was based on the current average tax delinquency (through 2006) in the county auditor database for all tax delinquent vacant residential lots in Cleveland (\$4,405). Using this same methodology, the following is the estimated delinquency resulting from vacant and abandoned lots in the three study neighborhoods:

- Detroit Shoreway: 99 lots with an estimated total 2006 delinquency of \$436,095
- In Mount Pleasant: 122 lots with an estimated total 2006 delinquency of \$537,410
- In Slavic Village: 160 lots with an estimated total 2006 delinquency of \$704,800

5.01d. Cleveland Neighborhoods: Vacancy and Property Values

Research has found that vacant properties reduce the value of nearby residences. This section examines patterns of property values in the three study neighborhoods in relationship to the location of vacant and abandoned properties.

Methodology

This analysis employs two methodologies to assess the relationship between vacant and abandoned properties and occupied residences in the three Cleveland neighborhoods:

- **Straight line distance from a vacant property.** The first method classifies occupied residential property by its straight line distance to the nearest vacant residential property, regardless of street grid and obstacles of the terrain. The range of distances (150-foot increments, up to 450+ feet from a vacant property) is modeled after Temple University's *Blight Free Philadelphia* study.
- **On the same block face.** The second method assigns all properties to a "facing block" and then classifies each occupied residential property according to the number of vacant residential properties fronting on that same block. The term "block" is defined as an individual street segment as available in TIGER 2006, a digital roads file provided by the U.S. Census Bureau.

CRP's methodology looks at two measures of property value:

- **Assessed value.** The value assigned to a property for property tax assessment purposes by the County Auditor. All properties are reassessed periodically, so this data is available for all residential properties in a neighborhood.
- **Sales value.** The price of homes sold in the neighborhood. Data was gathered from County Auditor records for sales transactions with warranty deeds during two, two-year time periods: 1999-2000 and 2005-2006. Within each two year period, if a home sold more than once, only the highest sales price was used. Houses sold in 1999-2000 were not necessarily the same houses as those sold in 2005-2006.

It is important to note that this research looks only at *patterns* of relationship between vacancy and property values. The scope of the project *did not* include conducting statistical analyses that test for correlation or cause and effect or that account for dissimilar physical and location characteristics of the housing stock within a neighborhood. An underlying assumption of CRP's examination is that a group of residential properties within each of the study neighborhood should generally have similar assessed values and should experience similar appreciation over time.

In addition, because data on vacancy was available only for a single point in time (early 2007), but not longitudinally, CRP was able only to look at change in assessed value or sales price in relationship to the current location of vacant properties. It is not known when these properties became vacant or at what point they began to have an impact on nearby property values.

Overview of Cleveland Neighborhood Property Value Patterns

Tables CLE-7 and CLE-8 present key findings from the analysis that examined the relationship between vacant properties and occupied properties, based on their straight-line distance from a vacant property. The analysis of assessed property values and sales prices in relationship to proximity to vacant and abandoned properties in the Cleveland study neighborhoods revealed the following patterns:

No discernable pattern of price and value

In the Mount Pleasant neighborhood vacancy is widespread, and there was little difference in assessed values and sales prices between groups of homes close to vacancies and properties located farther away. Only about \$500-\$2,000 separated the housing values and sales prices across all groups, with no discernable pattern evident. Mount Pleasant also exhibited some “flattening” of the market over time, where price differences across the neighborhood housing market evident in the earlier years had diminished over time.

Unexpected pattern and evidence of property flipping

A counterintuitive pattern, where properties closest to vacancies had the greatest increases in value and price, was the pattern in Slavic Village. This appears to be evidence of property flipping, unscrupulous real estate practices, or both. Although the research did not include an analysis of property flipping, Appendix C includes data on properties in the Cleveland neighborhoods with more than one title transfer in a year. In Slavic Village, from 2004-2006, there were 223 of these transfers that had an increase in sales price of 100% or more.

Mixed pattern of price and value

The Detroit Shoreway neighborhood exhibited a mixed pattern of housing values and sales prices in relationship to vacancies. There were some instances of expected patterns, where changes in value or price were lowest for properties closest to vacant properties. This pattern was most evident where there were three or more vacancies on the same block face. However, some of the Detroit Shoreway analysis showed little difference in value or price across groups, or a mixed “up and down” pattern, based on proximity to vacant properties.

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Table CLE-7. Cleveland Overall Neighborhood Value and Price Patterns

	EXPECTED PATTERN Values and prices generally lower in closer proximity to vacancy	NO DISCERNABLE PATTERN Few differences in value and price based on proximity to vacancy	UNEXPECTED PATTERN Values and prices generally higher in closer proximity to vacancy	MIXED PATTERN Mix of patterns or no predominant pattern
Neighborhood		Mount Pleasant	Slavic Village	Detroit Shoreway

Sources: County Auditor database; CRP calculations

Table CLE-8. Cleveland: Patterns of Proximity to Vacancy and Neighborhood Property Value

NEIGHBORHOOD	VACANCY CONCENTRATION, 2007			PATTERNS OF VACANCY AND NEIGHBORHOOD PROPERTY VALUES				
				<p>KEY:</p> <p>✓ Expected pattern: properties <i>farther from vacancies</i> have higher/greater: 1) assessed value, 2) increase in assessed value, 3) sales price, or 4) increase in sales price</p> <p>? Unexpected pattern: properties <i>closer to vacancies</i> have higher/greater: 1) assessed value, 2) increase in assessed value, 3) sales price, or 4) increase in sales price</p> <p>Groups: Occupied properties, grouped by distance from a vacant property: within 149 ft., 150-299 ft., 300-449 ft., 450 ft. or more</p>				
	Vacant residential buildings	Percent vacant buildings	% occupied residences within 299 ft. of vacancy	Overall Patterns	Median Assessed Value: 2006	Median Assessed Value: Change 2002-2006	Median Sales Price: 2005 and 2006	Median Sales Price: Change 1999-2000 to 2005-2006
Detroit Shoreway	199	5.1%	67%	<ul style="list-style-type: none"> • Mixed pattern overall • Mixed pattern in sales price change • Fairly small price spread across groups 	Mixed pattern of median value across groups	Percentage change in value nearly the same for all groups ✓ Value increase <i>lowest</i> for properties with 3+ vacancies on the same block	Minimal variation in price based on distance from vacancy ✓ Price <i>much lower</i> for properties with 3+ vacancies on the same block	Mixed pattern of sales price change across groups ? Group <i>closest</i> to and group <i>farthest</i> from vacancies had large sales price increases
Mount Pleasant	487	8.4%	77%	<ul style="list-style-type: none"> • No discernable pattern overall • Very small value and price spread across groups 	Minimal variation in median value based on proximity to vacancy.	Minimal variation in median value change based on proximity to vacancy.	Minimal variation in median sales price based on proximity to vacancy.	Minimal variation in sales price change based on proximity to vacancy.
Slavic Village	855	10.9%	93%	<ul style="list-style-type: none"> • Unexpected pattern overall • Greatest value and price increases for properties closest to vacancies • Fairly small price spread across groups 	✓ Properties <i>closer</i> to vacancies had <i>lower</i> values	? Properties <i>farthest</i> from vacancies had the <i>smallest</i> increase in values	? Properties <i>closer</i> to vacancies had progressively <i>higher</i> sales prices	? Properties <i>closer</i> to vacancies had <i>greater</i> sales price increases

Source: Cuyahoga County Auditor data and CRP calculations

Detroit Shoreway: mixed pattern

Vacant properties and assessed property value

In 2006, 67% of all occupied 1- to 3-unit properties in Detroit Shoreway were located within 299 feet of a vacant residence, and 42% were located on a block with at least one vacant property. The following analysis of the data in Tables DS-3 and DS-4 and Maps DS-2, DS-3, and DS-4 describe patterns in median assessed property values and change in assessed values and proximity of occupied units to vacant residential properties in the neighborhood.

- **Distance from vacant residence.** Occupied properties closest to a vacant residence in Detroit Shoreway had a 2006 median assessed value \$6,000–7,000 less than those that were farther away. The median value of occupied residential properties increased when they were located more than 150 feet, but less than 450 feet, from a vacant property. This pattern can also be seen in the change in assessed values from 2002–2006. The anomaly in the pattern for properties 450 feet or more from a vacancy may be attributable to the low number of vacancies in the area south of I-90, which has lower median assessed values than the rest of the neighborhood.

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Table DS-3. Assessed Value of Occupied 1- to 3-unit Residential Properties by Distance to Vacant Residence, Detroit Shoreway, 2006

	NUMBER OF PROPERTIES (N=3,316)		MEDIAN VALUE IN 2006	MEDIAN VALUE IN 2002	CHANGE IN MEDIAN VALUE 2002-2006
Within 149 feet of a vacant residence	1,415	43%	\$49,114	\$34,314	+43%
150-299 feet away	805	24%	\$55,028	\$37,400	+47%
300-449 feet away	394	12%	\$56,271	\$37,800	+49%
450+ feet away	702	21%	\$43,771	\$29,657	+48%

Source: Detroit Shoreway CDC; Cuyahoga County Auditor data (provided by the Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State University)

- **On the same block with a vacant property.** Occupied residences in Detroit Shoreway on blocks with three or more vacant properties had a median assessed value \$10,000 below those on blocks with one or two vacancies, and \$7,000 below those with no vacancies. Although the median assessed value of all three groups of properties in Detroit Shoreway increased from 2002–2006, the increase for properties located on blocks with no vacancies was from 5–16 percentage points higher than for properties located on blocks with vacancies.

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Table DS-4. Assessed Value of Occupied 1- to 3-unit Residential Properties by Number of Vacant Residences on Block, Detroit Shoreway, 2006

	NUMBER OF PROPERTIES (N=3,316)		MEDIAN VALUE IN 2006	MEDIAN VALUE IN 2002	CHANGE IN MEDIAN VALUE 2002-2006
On block with 3+ vacant residences	451	14%	\$43,828	\$32,514	+35%
On block with 1 or 2 vacant residences	928	28%	\$53,714	\$36,714	+46%
On block with no vacant residences	1,937	58%	\$50,828	\$33,714	+51%

Source: Detroit Shoreway CDC; Cuyahoga County Auditor data (provided by Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State Univ.); U.S. Census Bureau , 2006 Second Edition TIGER/Line® Files

Vacant properties and sales price

In 2005 and 2006, 66% of all residential properties sold in Detroit Shoreway were located within 299 feet of a vacant residence. The following analysis of data in Tables DS-5 and DS-6 and Map DS-5 describe patterns in median sales price and change in sales price and proximity of sales to vacant residential properties in the neighborhood.

- Distance from vacant residence.** Occupied properties in Detroit Shoreway that sold in 2005 and 2006, and were closest to a vacant residence, had a median sales prices \$1,000-5,000 less than those farther from vacancies. However, there are mixed patterns in the change in sales prices from 1999-2000 to 2005-06. Properties 450 feet or more from a vacant property had the highest change in sale price over the period; however, properties *closer* than 150 feet to a vacant property had a *greater* percentage increase in sales prices than those 150-449 feet from a vacant property.

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Table DS-5. Sales Price of 1- to 3-unit Occupied Residential Properties by Distance to Vacant Residence, Detroit Shoreway (1)

	SALES, 2005 AND 2006 n=309		SALES, 1999 AND 2000 n=301		CHANGE IN MEDIAN PRICE, 99/00 TO 05/06
	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	
Within 149 feet of vacant residence	134	\$80,000	139	\$47,000	+70%
150-299 feet away	71	\$84,000	61	\$55,000	+53%
300-449 feet away	49	\$85,010	29	\$60,000	+42%
450+ feet away	55	\$81,000	72	\$44,100	+84%

Source: Detroit Shoreway CDC; Cuyahoga County Auditor data (provided by the Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State University)

(1) Properties sold in 2005 and 2006 were not necessarily the same properties that sold in 1999 and 2000

- On the same block with a vacant property.** Occupied residences in Detroit Shoreway on blocks with three or more vacant properties that sold in 2005 and 2006 had a median sales price from \$16,000 to 17,000 below those on blocks with fewer or no vacancies. The median sales price for all three groups of properties in Detroit Shoreway increased between 1999-2000 and 2005-06. However, the pattern of this increase was mixed, with sales on blocks with 3+ vacancies, and on blocks with no vacancies, having similar increases in median sales price.

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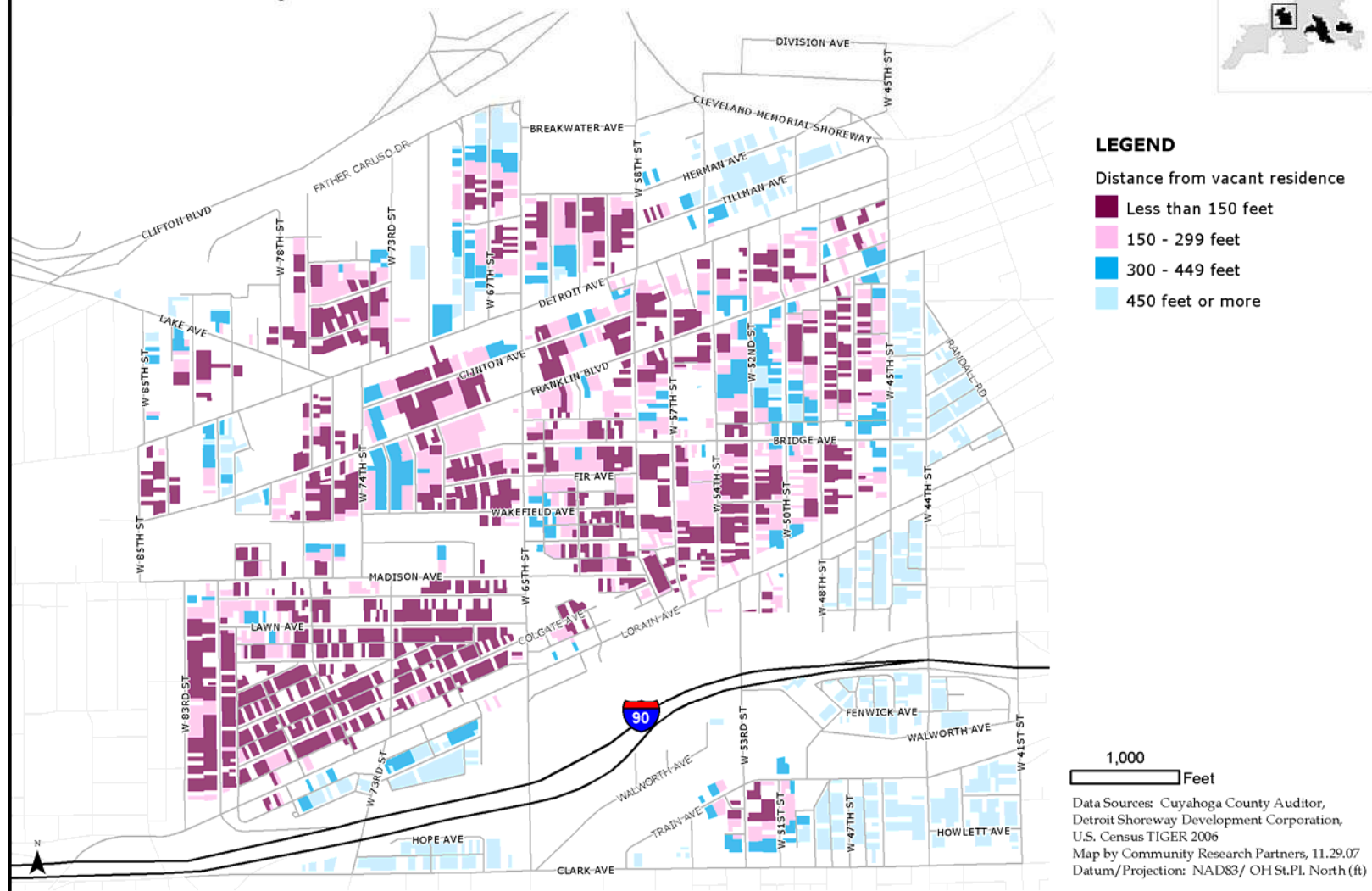
Table DS-6. Sales Price of 1- to 3-unit Occupied Residential Properties by Number of Vacant Residences on Block, Detroit Shoreway (1)

	SALES, 2005 AND 2006 n=309		SALES, 1999 AND 2000 n=301		CHANGE IN MEDIAN PRICE, 99/00 TO 05/06
	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	
On block with 3+ vacant residences	41	\$67,500	30	\$45,000	+50%
On block with 1 or 2 vacant residences	89	\$84,500	92	\$46,500	+82%
On block with no vacant residences	179	\$83,000	179	\$53,000	+57%

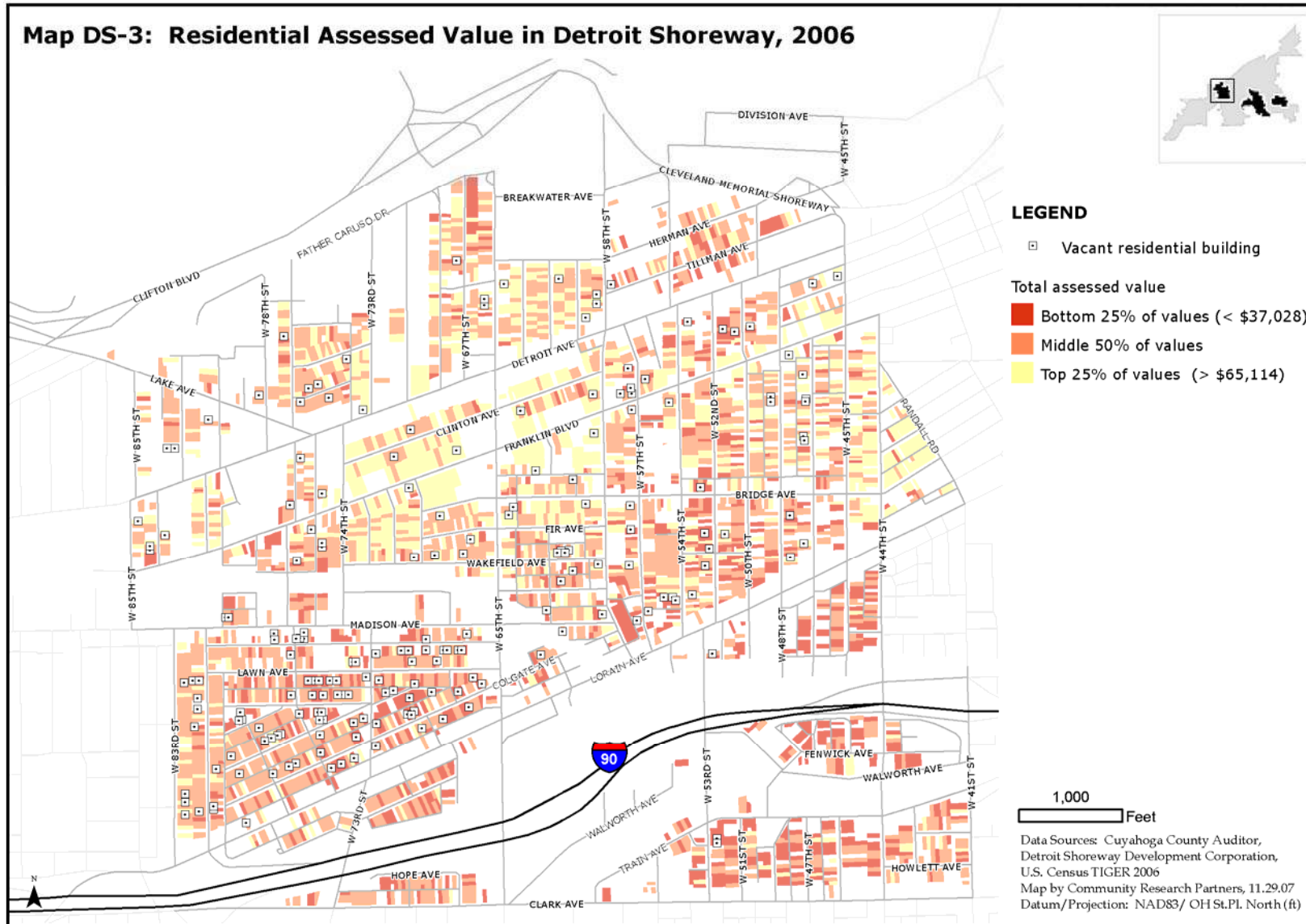
Source: Detroit Shoreway CDC; Cuyahoga County Auditor data (provided by the Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State Univ.); Census Bureau , 2006 Second Edition TIGER/Line® Files

(1) Properties sold in 2005 and 2006 were not necessarily the same properties that sold in 1999 and 2000

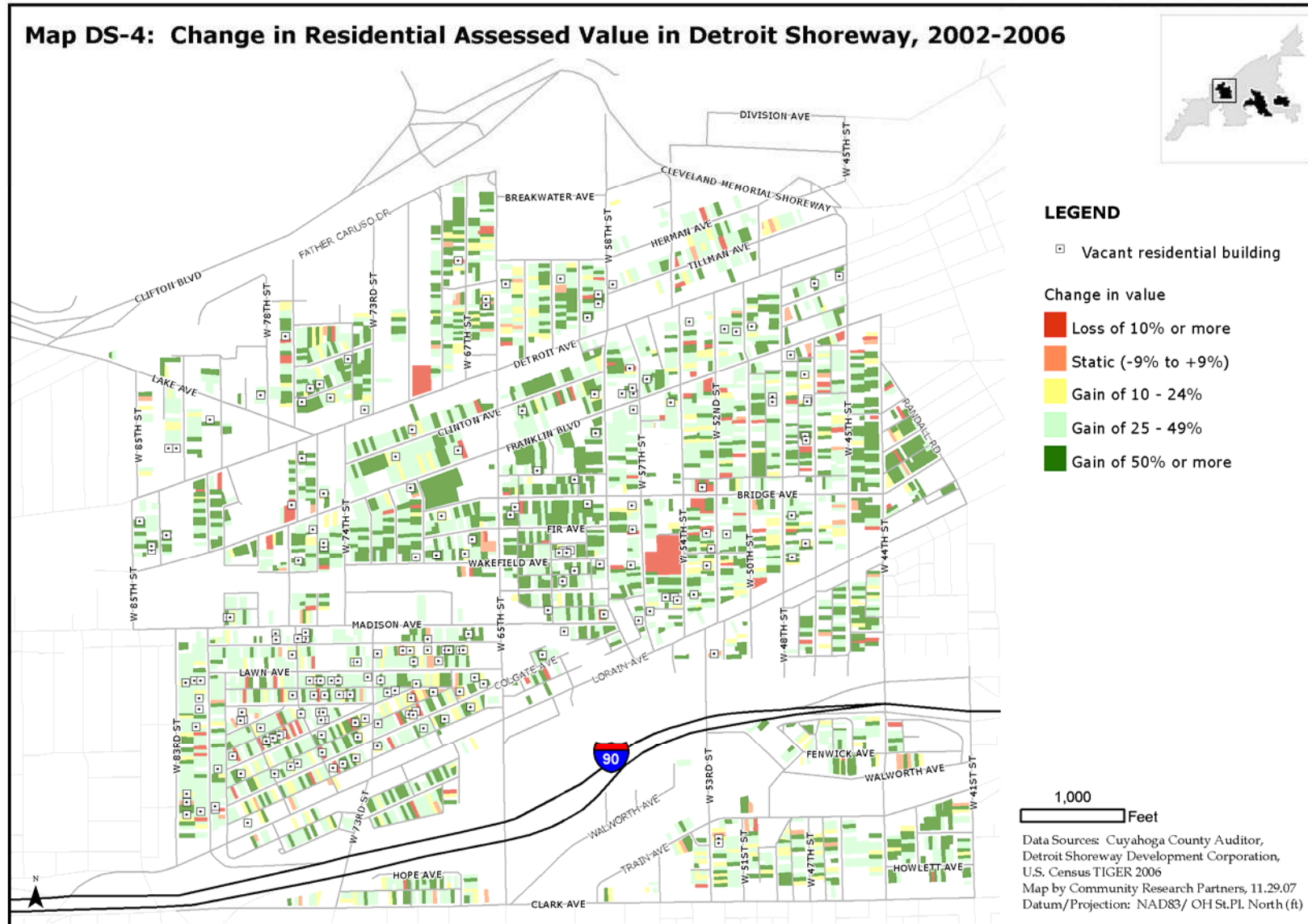
Map DS-2: Distance of Occupied Residence from Nearest Vacant Residence in Detroit Shoreway



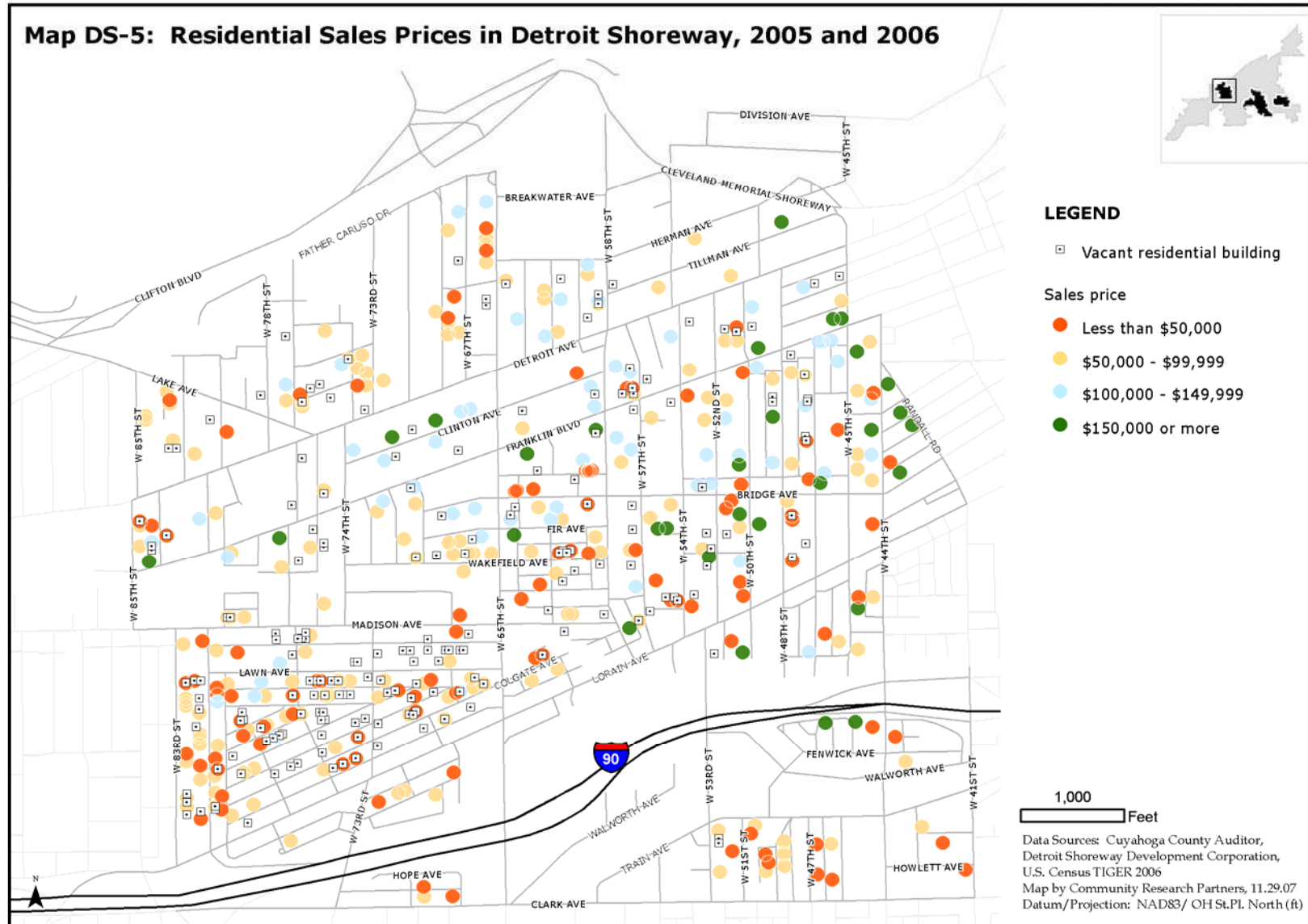
Map DS-3: Residential Assessed Value in Detroit Shoreway, 2006



Map DS-4: Change in Residential Assessed Value in Detroit Shoreway, 2002-2006



Map DS-5: Residential Sales Prices in Detroit Shoreway, 2005 and 2006



Mount Pleasant: no discernable pattern

Vacant properties and assessed property value

In 2006, 77% of all occupied 1- to 3-unit properties in Mount Pleasant were located within 299 feet of a vacant residence, and 55% were located on a block with at least one vacant property. The following analysis of the data in Tables MP-3 and MP-4 and Maps MP-2, MP-3, and MP-4 describe patterns in median assessed property values and change in assessed values and proximity of occupied units to vacant residential properties in the neighborhood.

- **Distance from vacant residence.** There is no discernable pattern in the Mount Pleasant neighborhood in assessed property values and the proximity of residences to vacant and abandoned properties. Median assessed values in 2002 and 2006, and the change in median values over this period, were essentially the same for all groups of properties analyzed (Table MP-3).

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Table MP-3. Assessed Value of Occupied 1- to 3-unit Residential Properties by Distance to Vacant Residence, Mount Pleasant, 2006

	NUMBER OF PROPERTIES (N=5,476)		MEDIAN VALUE IN 2006	MEDIAN VALUE IN 2002	CHANGE IN MEDIAN VALUE 2002-2006
Within 149 feet of a vacant residence	3,194	58%	\$64,114	\$50,600	+27%
150-299 feet away	1,019	19%	\$66,200	\$52,400	+26%
300-449 feet away	343	6%	\$66,228	\$52,114	+27%
450+ feet away	920	17%	\$64,428	\$50,714	+27%

Source: Mount Pleasant CDC; Cuyahoga County Auditor data (provided by the Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State University)

- **On the same block with a vacant property.** There is no discernable pattern in the Mount Pleasant neighborhood in assessed property values and the number of vacant and abandoned properties on the same block. Median assessed values in 2006, and the changes in median values from 2002 to 2006, were nearly the same for all groups of properties analyzed (Table MP-4).

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Table MP-4. Assessed Value of Occupied 1- to 3-unit Residential Properties by Number of Vacant Residences on Block, Mount Pleasant, 2006

	NUMBER OF PROPERTIES (N=5,476)		MEDIAN VALUE IN 2006	MEDIAN VALUE IN 2002	CHANGE IN MEDIAN VALUE 2002-2006
On block with 3+ vacant residences	2,357	43%	\$64,114	\$51,000	+26%
On block with 1 or 2 vacant residences	1,215	22%	\$65,514	\$51,314	+28%
On block with no vacant residences	1,904	35%	\$64,514	\$50,714	+27%

Source: Mount Pleasant CDC; Cuyahoga County Auditor data (provided by Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State Univ.); U.S. Census Bureau, 2006 Second Edition TIGER/Line® Files

Vacant properties and sales price

In 2005 and 2006, 76% of all residential properties sold in Mount Pleasant were located within 299 feet of a vacant residence. The following analysis of data in Tables MP-5 and MP-6 and Map MP-5 describe patterns in median sales price and change in sales price and proximity of sales to vacant residential properties in the neighborhood.

- Distance from vacant residence.** In Mount Pleasant, the median sales prices for properties sold in 2005 and 2006 were nearly the same across all groups analyzed (Tables MP-5). The percent change in median sales prices for residences sold in 1999-2000 and in 2005-2006 was *greatest* for properties closest (within 299 feet) to vacant structures, and nearly the same as the change for sales farthest from vacancies (450 feet or more). Properties 300-449 feet from a vacant residence, which represented the fewest number of sales, had the smallest median price increase.

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Table MP-5. Sales Price of 1- to 3-unit Occupied Residential Properties by Distance to Vacant Residence, Mount Pleasant (1)

	SALES, 2005 AND 2006 n=509		SALES, 1999 AND 2000 n=387		CHANGE IN MEDIAN PRICE, 99/00 TO 05/06
	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	
Within 149 feet of a vacant residence	316	\$90,000	229	\$65,000	+38%
150-299 feet away	72	\$90,000	79	\$65,000	+38%
300-449 feet away	26	\$88,500	19	\$72,000	+23%
450+ feet away	95	\$88,500	60	\$65,500	+34%

Source: Mount Pleasant CDC; Cuyahoga County Auditor data (provided by the Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State University)

(1) Properties sold in 2005 and 2006 were not necessarily the same properties that sold in 1999 and 2000

- On the same block with a vacant property.** In Mount Pleasant, 2005-2006 median sales prices were nearly the same for all groups analyzed (Table MP-6). The greatest percentage increase in median price between sales in 1999-2000 and 2005-2006 was for residences with 1-2 vacant properties on the same block. The change in median sale price was the same for properties with three or more vacancies on the same block and for those with no vacant residences on the block.

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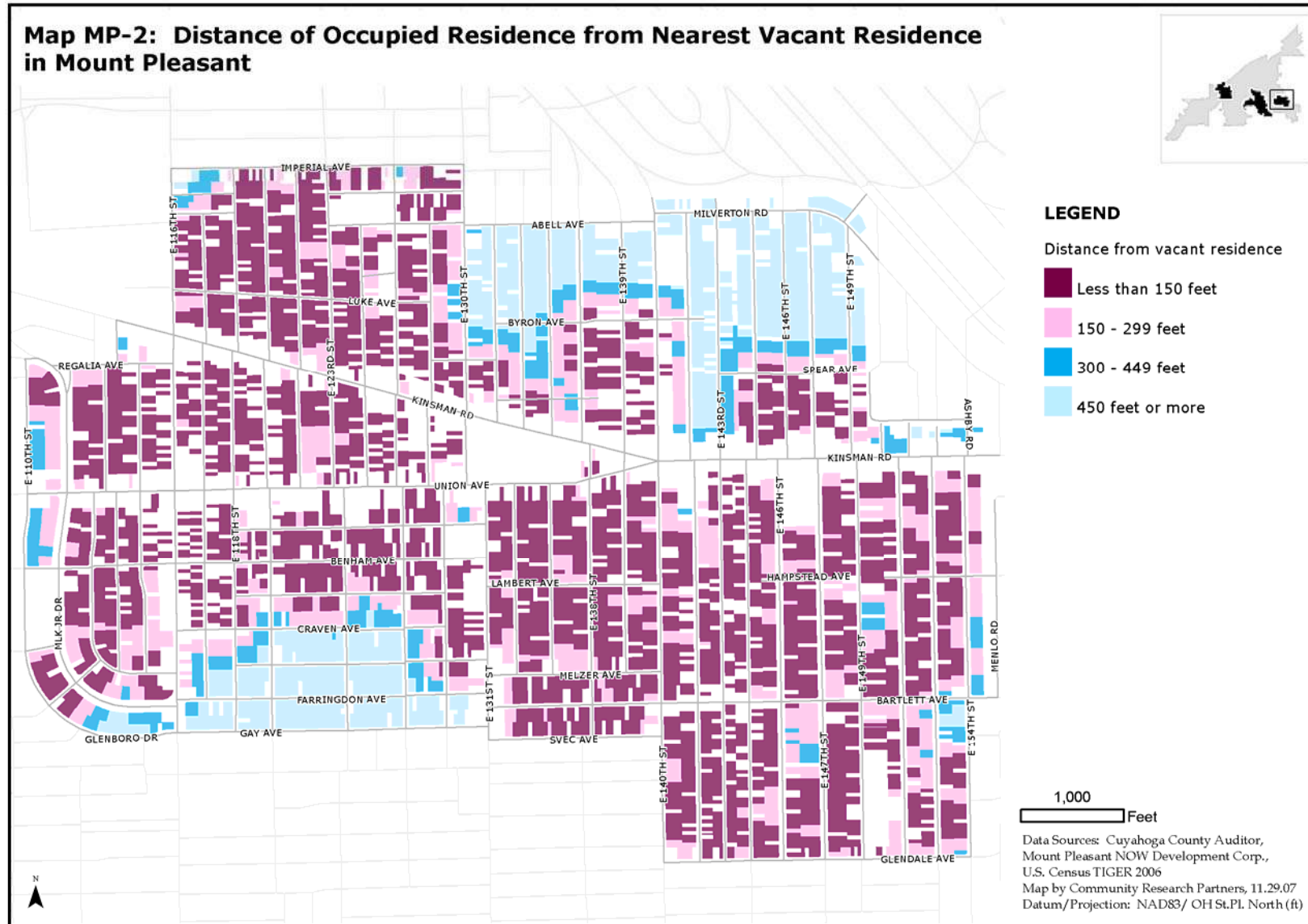
Table MP-6. Sales Price of 1- to 3-unit Occupied Residential Properties by Number of Vacant Residences on Block, Mount Pleasant (1)

	SALES, 2005 AND 2006 n=509		SALES, 1999 AND 2000 n=387		CHANGE IN MEDIAN PRICE, 99/00 TO 05/06
	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	
On block with 3+ vacant residences	229	\$90,000	164	\$68,000	+32%
On block with 1 or 2 vacant residences	118	\$90,250	84	\$60,450	+49%
On block with no vacant residences	162	\$89,000	139	\$67,000	+33%

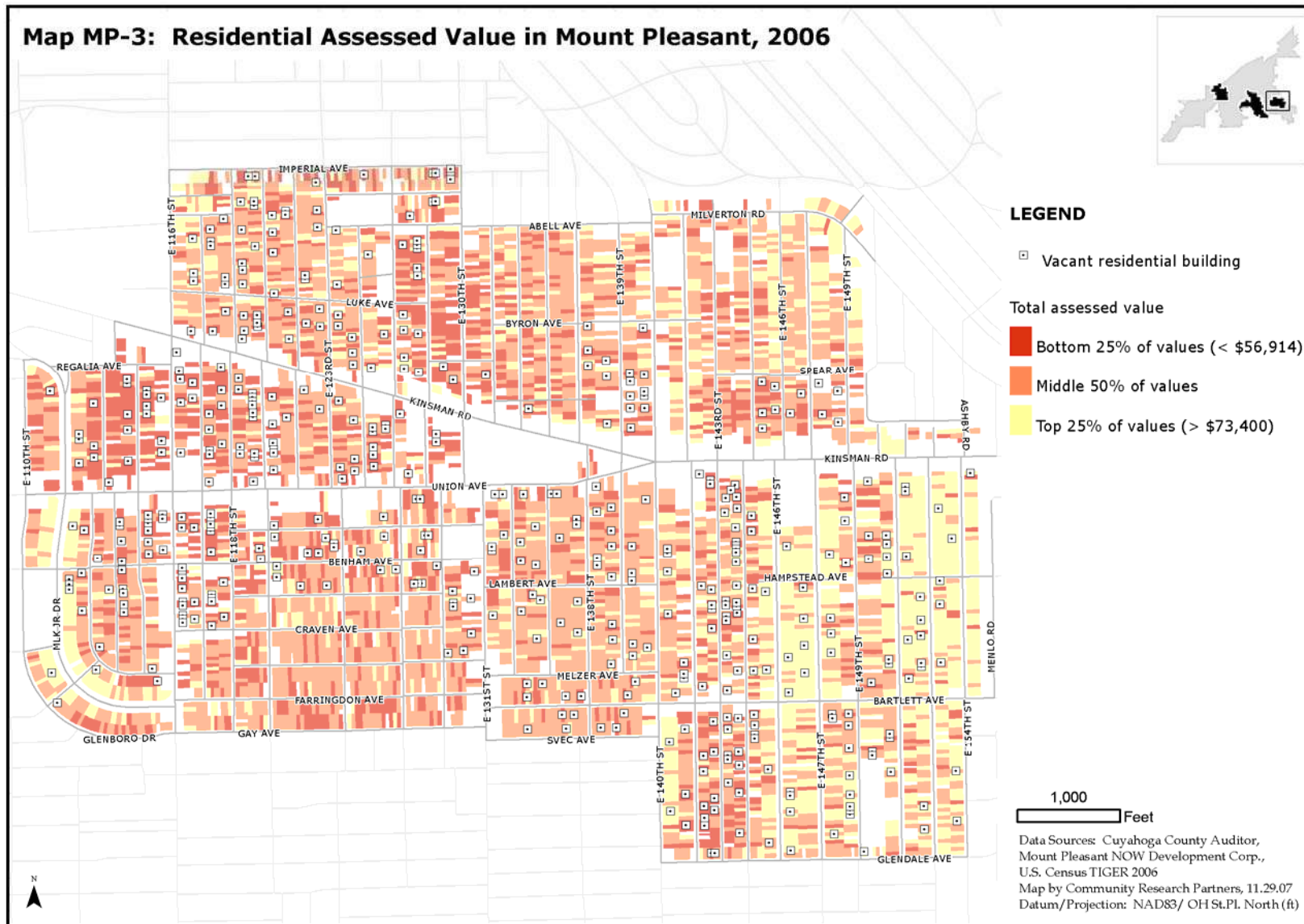
Source: Mount Pleasant CDC; Cuyahoga County Auditor data (provided by the Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State Univ.); Census Bureau, 2006 Second Edition TIGER/Line® Files

(1) Properties sold in 2005 and 2006 were not necessarily the same properties that sold in 1999 and 2000

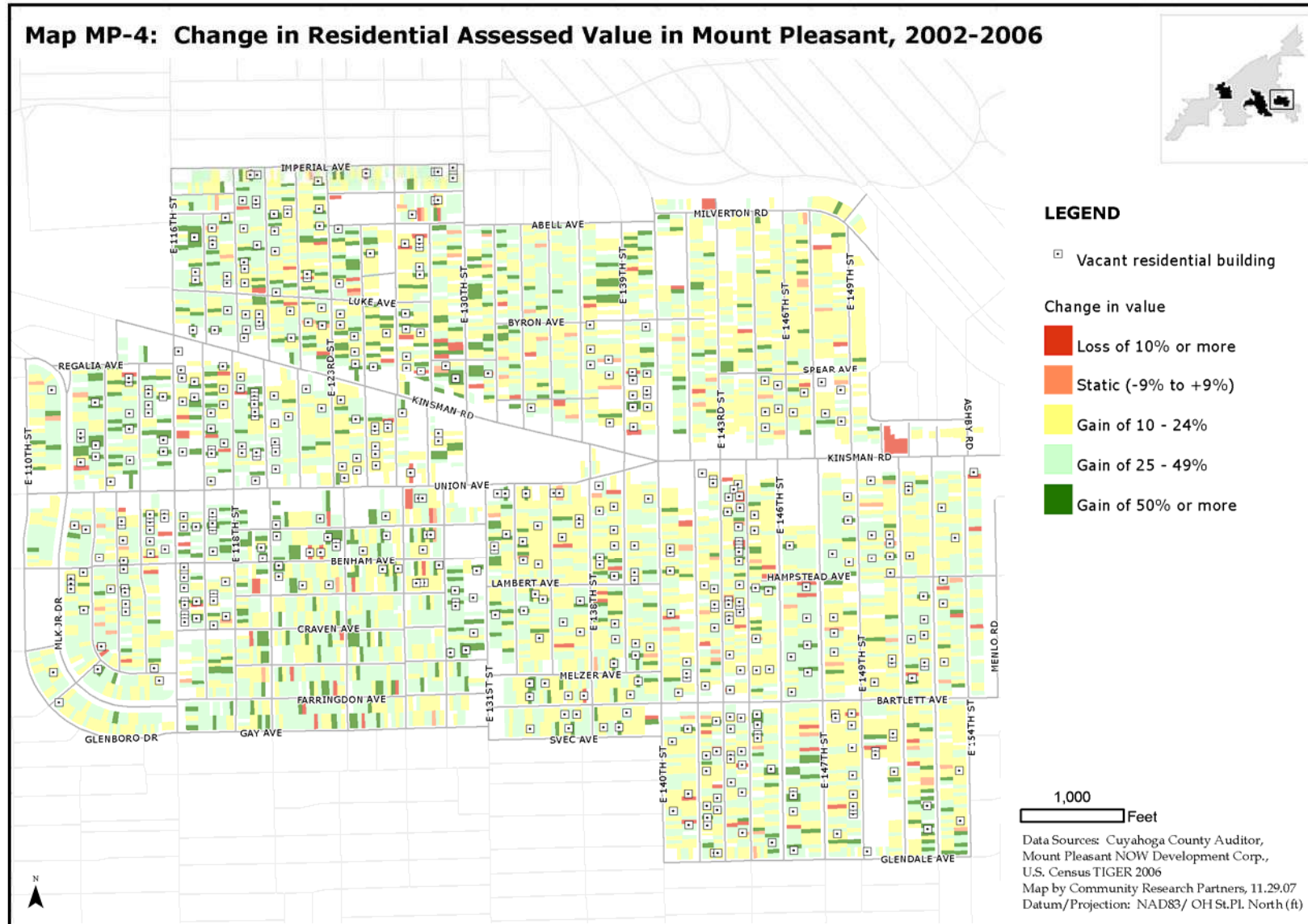
Map MP-2: Distance of Occupied Residence from Nearest Vacant Residence in Mount Pleasant



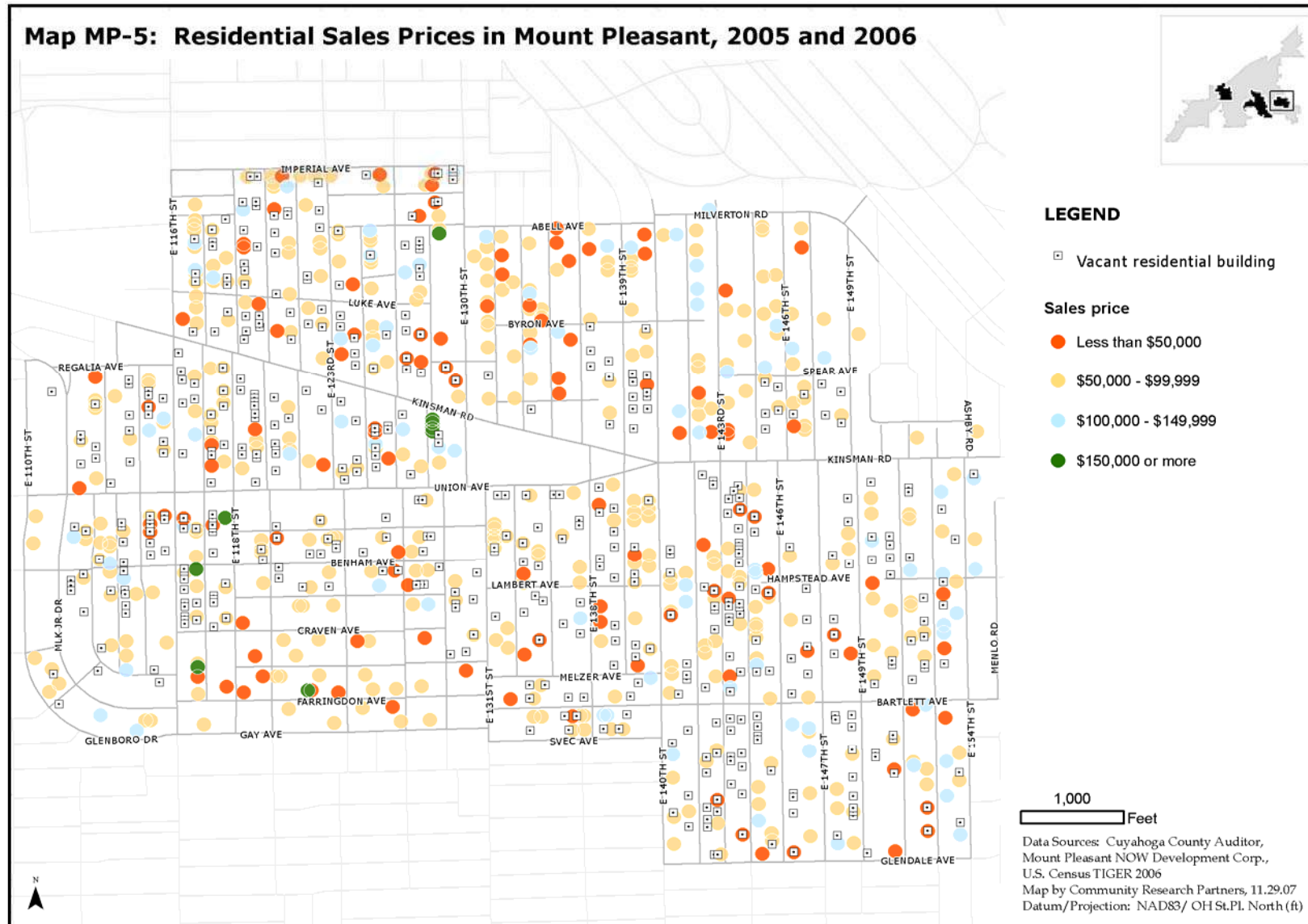
Map MP-3: Residential Assessed Value in Mount Pleasant, 2006



Map MP-4: Change in Residential Assessed Value in Mount Pleasant, 2002-2006



Map MP-5: Residential Sales Prices in Mount Pleasant, 2005 and 2006



Slavic Village: unexpected pattern

Vacant properties and assessed property value

In 2006, 93% of all occupied 1- to 3-unit properties in Slavic Village were located within 299 feet of a vacant residence, and 79% were located on a block with at least one vacant property. The following analysis of the data in Tables SV-3 and SV-4 and Maps SV-2, SV-3, and SV-4 describe patterns in median assessed property values and change in assessed values and proximity of occupied units to vacant residential properties in the neighborhood.

- **Distance from vacant residence.** The 2006 median assessed value of properties in Slavic Village generally increased with the distance from a vacant property. However, the properties that had the *lowest* percent change in assessed value from 2002 to 2006 were those that were *farthest* from a vacant property (450 feet or more), although this group represented the fewest properties among the four groups.

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Table SV-3. Assessed Value of Occupied 1- to 3-unit Residential Properties by Distance to Vacant Residence, Slavic Village, 2006

	NUMBER OF PROPERTIES (N=7,290)		MEDIAN VALUE IN 2006	MEDIAN VALUE IN 2002	CHANGE IN MEDIAN VALUE 2002-2006
Within 149 feet of a vacant residence	5,123	70%	\$48,400	\$36,600	+32%
150-299 feet away	1,660	23%	\$54,714	\$41,800	+31%
300-449 feet away	366	5%	\$60,314	\$46,314	+30%
450+ feet away	141	2%	\$57,514	\$46,314	+24%

Source: Slavic Village CDC; Cuyahoga County Auditor data (provided by the Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State University)

- **On the same block with a vacant property.** There is no discernable pattern in the Slavic Village neighborhood in median assessed property values, or change in assessed property values over time, and the number of vacant and abandoned properties on the same block. All groups had similar median values in 2006 and similar percent changes in assessed value between 2002 and 2006.

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Table SV-4. Assessed Value of Occupied 1- to 3-unit Residential Properties by Number of Vacant Residences on Block, Slavic Village, 2006

	NUMBER OF PROPERTIES (N=7,290)		MEDIAN VALUE IN 2006	MEDIAN VALUE IN 2002	CHANGE IN MEDIAN VALUE 2002-2006
On block with 3+ vacant residences	3,058	42%	\$50,000	\$37,914	+32%
On block with 1 or 2 vacant residences	1,980	27%	\$49,028	\$37,114	+32%
On block with no vacant residences	2,252	31%	\$52,957	\$40,400	+31%

Source: Slavic Village CDC; Cuyahoga County Auditor data (provided by Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State Univ.); U.S. Census Bureau, 2006 Second Edition TIGER/Line® Files

Vacant properties and sales price

In 2005 and 2006, 78% of all residential properties sold in Slavic Village were located within 299 feet of a vacant residence. The following analysis of data in Tables SV-5 and SV-6 and Map SV-5 describe patterns in median sales price and change in sales price and proximity of sales to vacant residential properties in the neighborhood.

- Distance from vacant residence.** In Slavic Village, the median sales price for properties sold in 2005 and 2006 runs counter to expected patterns, with properties located in closest proximity to a vacant residence having the *highest* median price, and those located farthest (450 feet or more) having the *lowest* price. Properties sold within 149 feet of a vacant residence experienced a 68% increase in median price between 1990-2000 and 2005-2006, while those farther away (300 feet or more) had median sales price increases of less than 30%.

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Table SV-5. Sales Price of 1- to 3-unit Occupied Residential Properties by Distance to Vacant Residence, Slavic Village (1)

	SALES, 2005 AND 2006 n=875		SALES, 1999 AND 2000 n=707		CHANGE IN MEDIAN, 99/00 TO 05/06
	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	
Within 149 feet of a vacant residence	643	\$84,000	518	\$50,000	+68%
150-299 feet away	168	\$80,000	161	\$55,000	+45%
300-449 feet away	53	\$79,500	17	\$63,100	+26%
450+ feet away	11	\$73,900	11	\$57,500	+29%

Source: Slavic Village CDC; Cuyahoga County Auditor data (provided by the Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State University)

(1) Properties sold in 2005 and 2006 were not necessarily the same properties that sold in 1999 and 2000

- On the same block with a vacant property.** There is no clear pattern in median sales price in relationship to the number of vacant residences on the same block. The median sales prices for homes sold in 2005 and 2006 were similar for all groups, with houses sold on blocks with no vacancy having the *lowest* median sales price. Between 1999-2000 and 2005-2006, median sales price increased most for properties with one or two vacant residences on the same block.

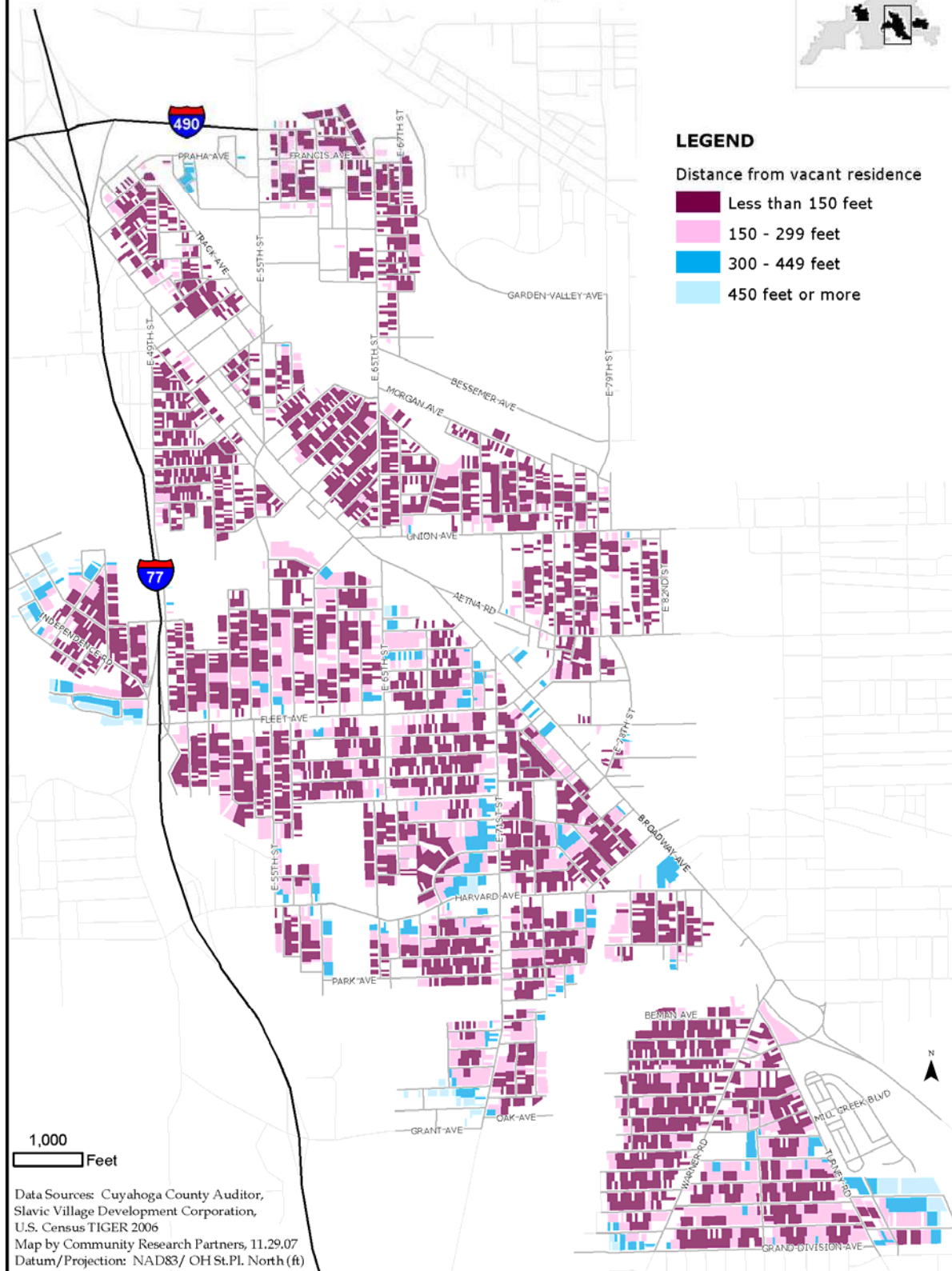
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Table SV-6. Sales Price of 1- to 3-unit Occupied Residential Properties by Number of Vacant Residences on Block, Slavic Village (1)

	SALES, 2005 AND 2006 n=875		SALES, 1999 AND 2000 n=707		CHANGE IN MEDIAN, 99/00 TO 05/06
	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	
On block with 3+ vacant residences	371	\$84,000	310	\$53,500	+57%
On block with 1 or 2 vacant residences	244	\$85,000	203	\$47,500	+79%
On block with no vacant residences	260	\$80,000	194	\$54,500	+47%

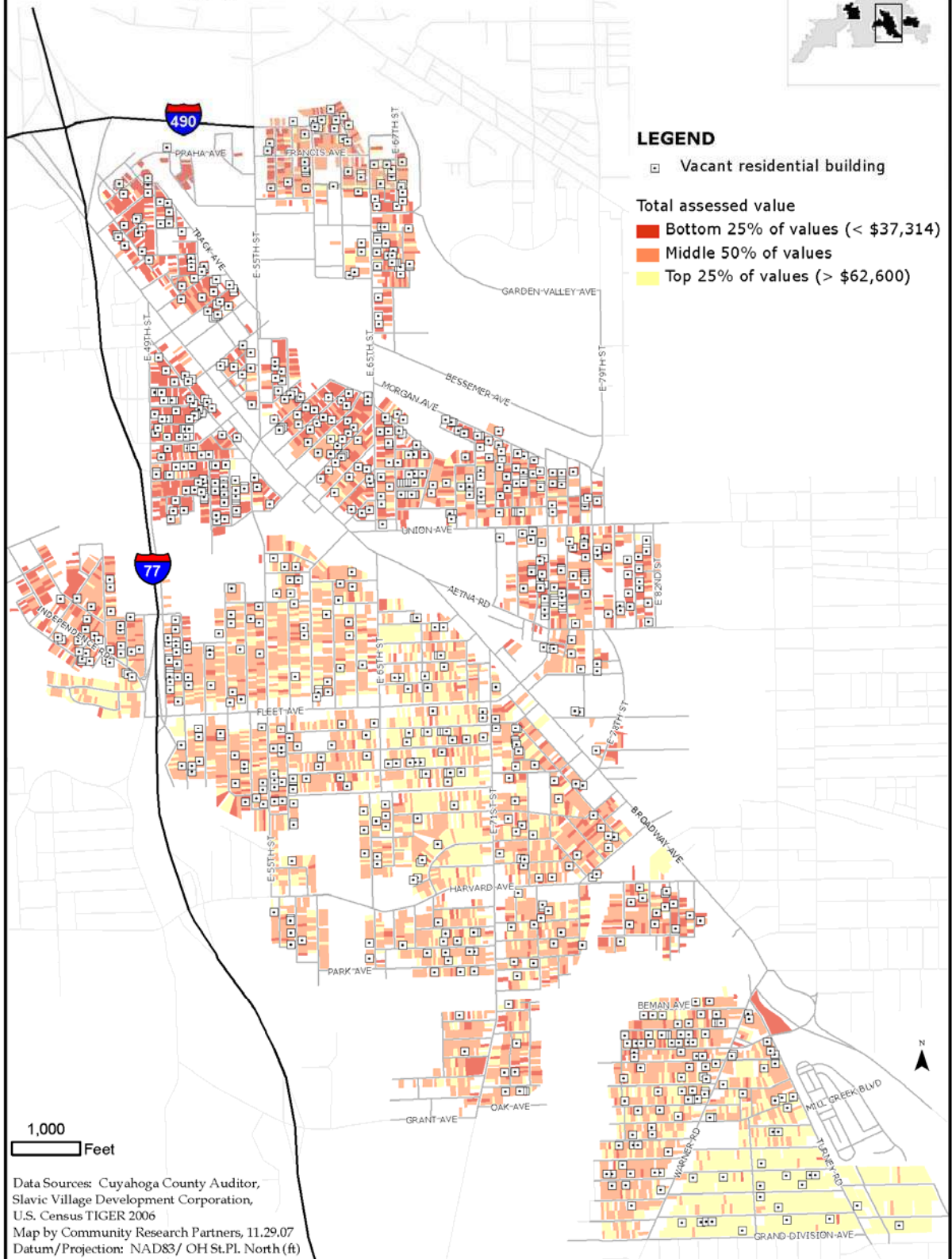
Source: Mount Pleasant CDC; Cuyahoga County Auditor data (provided by the Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State Univ.); Census Bureau, 2006 Second Edition TIGER/Line® Files

(1) Properties sold in 2005 and 2006 were not necessarily the same properties that sold in 1999 and 2000

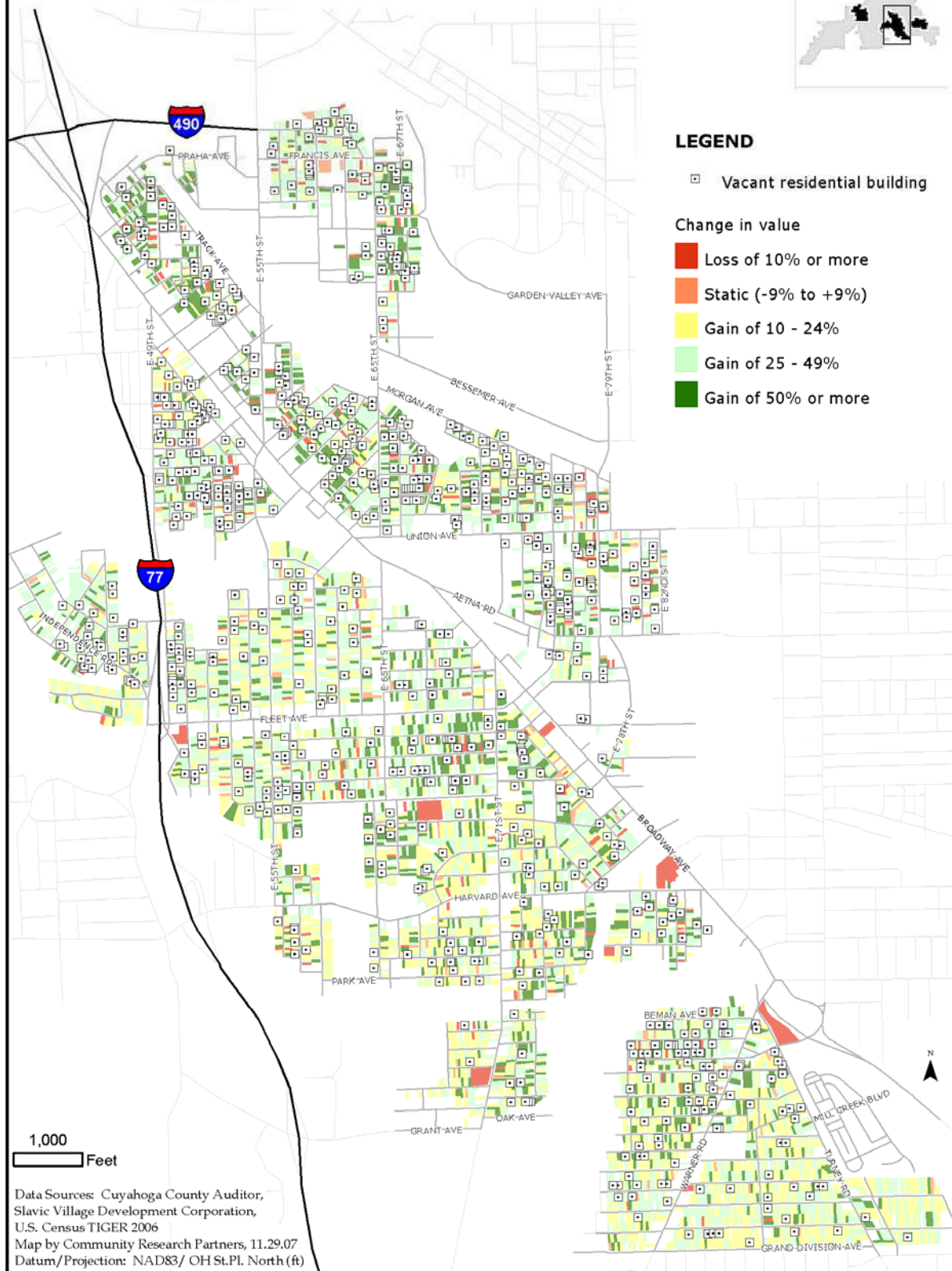
Map SV-2: Distance of Occupied Residence from Nearest Vacant Residence in Slavic Village



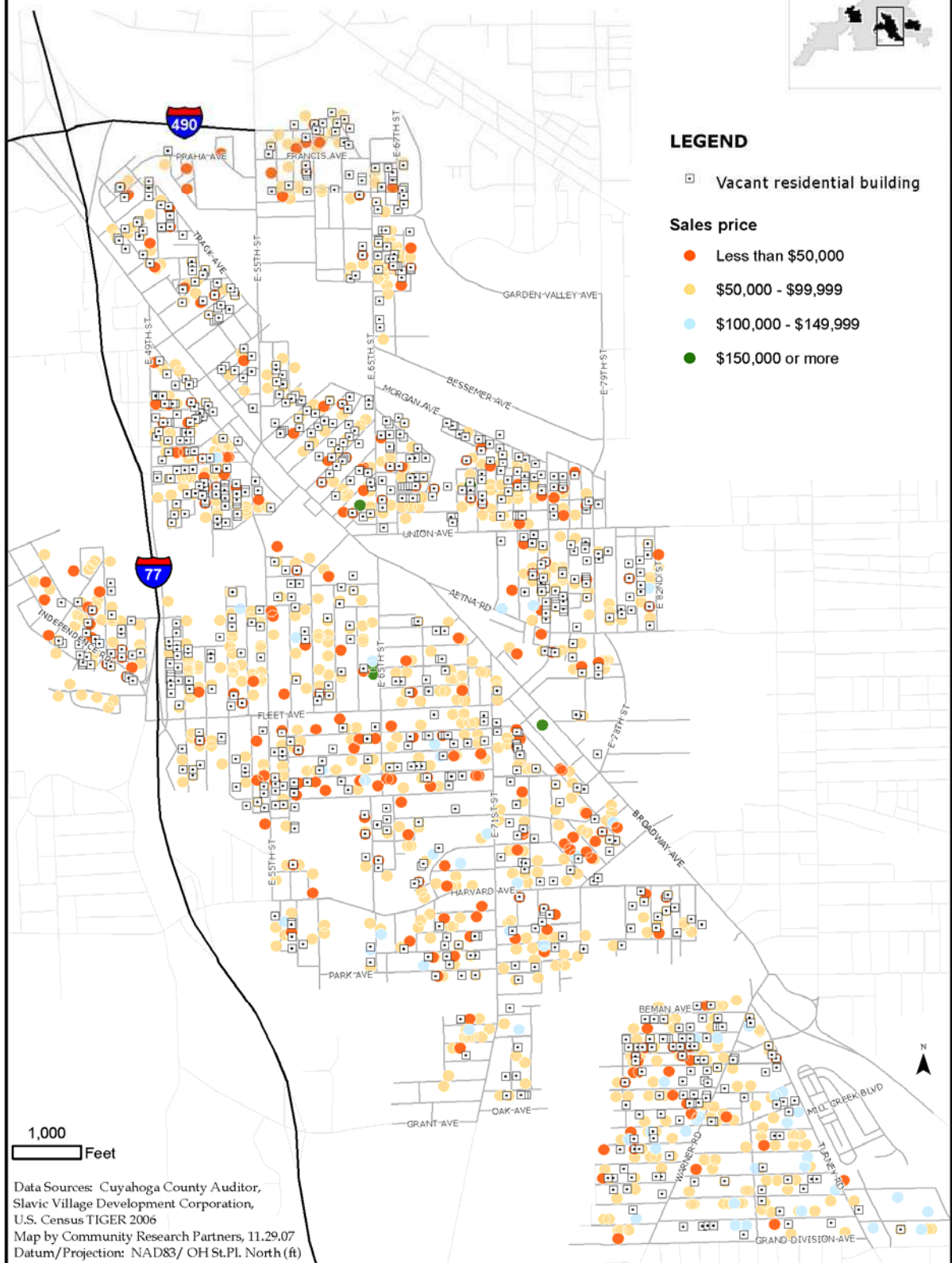
Map SV-3: Residential Assessed Value in Slavic Village, 2006



Map SV-4: Change in Residential Assessed Value in Slavic Village, 2002-2006



Map SV-5: Residential Sales Prices in Slavic Village, 2005 and 2006



5.01e. Cleveland: Perspectives on Vacant and Abandoned Properties

In the process of collecting and analyzing quantitative data on the incidence of and costs associated with vacant and abandoned properties in Cleveland, CRP staff communicated frequently with city staff via telephone and email. CRP staff visited Cleveland in July 2007 and met with:

Jeff Ramsey	Detroit Shoreway CDC, Executive Director
Nelson Beckford	Detroit Shoreway CDC
Matt Lasko	Detroit Shoreway CDC
Tom Stone	Mt. Pleasant NOW, Executive Director
Clifton Turner	Mt. Pleasant NOW
Hugh Kidd	Mt. Pleasant NOW
Marie Kittridge	Slavic Village CDC, Executive Director
Stacy Pugh	Slavic Village CDC Housing Director
Anthony Brancatelli	Councilman, Ward 12 (Slavic Village)
John Wilbur	Dept. of Community Development
James Green	Dept. of Community Development

The following summary reflects the perspectives of these local officials and stakeholders, shared informally with CRP staff, as well as observations of CRP staff, about how Cleveland is addressing vacant and abandoned properties and their impact on the community.

Addressing vacant and abandoned properties

Strong role of Community Development Corporations

Cleveland's large network of CDCs, which receive funding support from the city and local foundations, plays a major role in identifying and addressing vacant and abandoned properties. City staff describes CDCs as the city's eyes in the neighborhood, functioning as auxiliary code enforcement staff, although without code enforcement authority. The city does not conduct citywide property condition surveys. Instead, in 2006 CDCs were asked to provide a parcel-level inventory of vacant and abandoned properties within their neighborhoods. This produced data from 27 organizations, covering nearly all of Cleveland's residential areas, but there was variation in the way that CDCs chose to provide their inventory to the city.

Comprehensive neighborhood revitalization strategies

Funders in Cleveland are taking a comprehensive approach to working with CDCs to revitalize neighborhoods. As part of a three-year effort called the Strategic Investment Initiative, seven areas considered to have the greatest potential for residential and economic growth in the city, including Detroit Shoreway and Slavic Village, were selected in 2006 for a Model Block program. The program, which is a partnership of the City of Cleveland and Neighborhood Progress, Inc., focuses resources on building

“model blocks” on the streets around large, new housing and commercial projects. Activities include home repair, improved security, new parks, marketing, and image building along streets. Another objective of the Model Blocks program is the elimination of vacant, abandoned, or eyesore properties, through either demolition or rehabilitation.

Increased demolition activity

In 2006, the City of Cleveland spent about \$1.2 million for the demolition of 153 structures. In 2007, the city greatly increased both the demolition budget and the planned number of demolitions. With funding from a \$6 million bond earmarked specifically for demolition and blight removal, the city plans to demolish about 700 properties and rehab hundreds of others. According to city staff, demolition priorities include vacant and abandoned structures near schools and on main thoroughfares, structures posing health and safety hazards, demolitions that are deemed a priority for economic development, and structures within Model Block areas.

Foreclosure prevention and early intervention initiatives

The Cuyahoga County Foreclosure Prevention Program is a joint initiative of the Cuyahoga County Board of Commissioners, County Treasurer, and over 40 public and private partners representing banking, philanthropic, housing, government, and non-profit and business organizations. The program provides counseling, legal assistance, and outreach to current and prospective borrowers, focused on good financial decision making, repairing bad credit, and avoiding risky loan products.

The Early Intervention Foreclosure Prevention program is sponsored by the East Side Organizing Project (ESOP), the Center on Urban Poverty and Community Development at Case Western Reserve University, six area CDCs, and Neighborhood Progress, Inc (NPI). The intervention project uses data available through the Poverty Center’s neighborhood information system, NEO CANDO (water shutoffs/low usage data, code enforcement data, and mortgage and foreclosure data), coupled with the community organizing capacity of ESOP, the CDCs, and NPI, to target foreclosure intervention services at the individual household level.

Housing Court initiatives

The Cleveland Housing Court is one of three specialized courts in Ohio whose primary focus is housing and related issues.¹ The Court has implemented numerous initiatives that address issues associated with vacant and abandoned property, including:

- Contact list database: identifies and tracks appropriate contacts at lending institutions to more quickly resolve property maintenance and deed transfer issues
- Placards: placards posted on a vacant and abandoned property to provide neighborhoods residents with contact information for the owner or lender and the Court-assigned Housing Specialist
- Trials in absentia: a plea of not guilty is entered by the Court on behalf of a corporation that fails to appear for a hearing and conducts a trial in absentia, expediting Court action

¹ Toledo Municipal Court has a Housing Division. Franklin County Municipal Court has an Environmental Division.

- Comprehensive plea agreements: one plea agreement and sentence addressing all problem properties owned by a defendant

Impacts of vacant and abandoned properties

A haven for crime

The many vacant and abandoned properties in the three Cleveland study neighborhoods provide a thriving scene for property crime. Most obvious were houses completely stripped of copper pipes, fixtures, and aluminum siding. Often times, the money required to put a house back together after it has been ransacked is more than the restored home could bring on the market. This adds to the “uphill battle” to redevelop neighborhoods and also negatively affects renovated or newly constructed homes. During CRP’s site visit to one study neighborhood, a participant asked, “How do you market a new home if you can’t keep the windows intact?”

Property scams

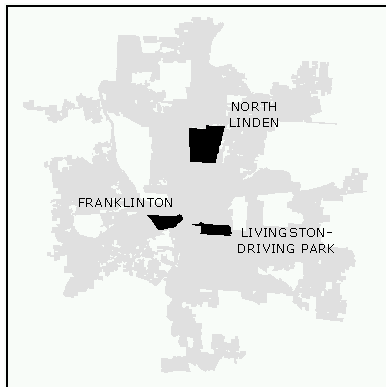
Cleveland neighborhoods with high numbers of vacant and abandoned properties have become the target of investors who seek to make a quick profit by “flipping” vacant and abandoned properties—buying and reselling them within a short period of time, and making a profit, but doing so with little to no repair or improvement to the property itself. Neighborhoods like these also attract predatory lenders who make unaffordable refinance or renovation loans, especially to low-income or elderly residents. In Slavic Village, for example, it was estimated that at least half of the neighborhood’s vacant and abandoned property problem has been driven by fraudulent investment and lending practices.

Depressed housing markets affect city revenue and borrowing authority

Vacant and abandoned property, coupled with increasing mortgage foreclosures, directly affect the amount of revenue a city collects. In Cleveland, revenue from building permits (a reflection of the strength of the local housing market), fell about \$450,000 short of projections in 2007. Foreclosures and vacancy limit the city’s ability to borrow money, because municipalities borrow against the assessed value of their property base and anticipated tax revenue. In 2007, Cleveland had hoped to borrow about \$45 million for capital projects, but was able to borrow only about \$35 million.²

² The New York Times. October 18, 2007. Housing Downturn Takes Toll on Cities’ Revenue.

5.02 Columbus Summary



In April 2007, there were 3,785 vacant residential buildings and an estimated 993 vacant and abandoned lots in Columbus. Three Columbus neighborhoods were the focus of the assessment—Franklinton, Livingston-Driver Park, and North Linden. These neighborhoods, which together represented 8% of the city's population in 2000, were the location of 28% of all reported vacant and abandoned residential buildings in Columbus (1,091) and 15.7% of the vacant and abandoned lots (156).

5.02a. Columbus Profile

The City of Columbus, located in central Ohio, had an estimated 2006 population of 733,203, a 15.8% increase from its 1990 population. In 2006, Columbus's 174,770, 1- to 3-unit residential properties had a median assessed value of \$120,400. Eleven percent were built before 1920, and 22% were built before 1940. From 2002 to 2006, the assessed value of 24.2% of these properties increased by 25% or more.

- **Franklinton.** In 2000, the Franklinton neighborhood had an estimated population of 12,289, a decrease of 6.2% since 1990. In 2006, the 2,617, 1- to 3-unit residential properties in Franklinton had a median assessed value of \$37,900. Sixty-six percent were built before 1920, and 87% were built before 1940. From 2002 to 2006, the assessed value of 26.6% of these properties increased by 25% or more.
- **Livingston-Driver Park.** In 2000, the Livingston-Driver Park neighborhood had an estimated population was 13,777, a decrease of 17.1% since 1990. In 2006, the 3,611, 1- to 3-unit residential properties in Livingston-Driver Park had a median assessed value of \$57,900. Forty-six percent were built before 1920, and 78% were built before 1940. From 2002 to 2006, the assessed value of 32.9% of these properties increased by 25% or more.
- **North Linden.** The North Linden neighborhood's estimated 2000 population was 32,418, a decrease of 6.7% since 1990. In 2006, the 9,477, 1- to 3-unit residential properties in North Linden had a median assessed value of \$78,000. Four percent were built before 1920, and 18% were built before 1940. From 2002 to 2006, the assessed value of 17.8% of these properties increased by 25% or more.

5.02b. Incidence of vacant and abandoned properties

- **Columbus.** In April 2007, Columbus' Code Enforcement Unit identified a total of 3,875 vacant residential buildings citywide. The total is based on a citywide "windshield" survey, completed in late 2006, aimed at identifying and tracking

vacant buildings in Columbus. Based on these data, CRP estimates that 2.1% of all residential structures in Columbus are currently vacant. The city's estimated number of vacant lots, derived from a combination of city mowing and land bank data, is 993.

- **Franklinton.** In April 2007, there were 383 residential structures in Franklinton identified as vacant by Columbus Code Enforcement, 14.0% of all residential structures. The largest numbers of these are single-family (71.8%) and two- to three-unit (24.3%) buildings. Vacant and abandoned housing appears to blanket the Franklinton neighborhood, and in many areas, high numbers of vacant residential properties cluster together. Over half (53.1%) of all vacant residences are on a block with three or more other vacancies, and 83.8% occur on a block with at least one other vacant residence. Fifty-seven (5.7%) of the estimated 993 vacant lots in Columbus are located in Franklinton.
- **Livingston-Driving Park.** There were 359 residential structures identified as vacant in Livingston-Driving Park as of April 2007, for an estimated residential vacancy rate of 9.5%. The largest numbers of these buildings are single-family (68.8 %) and two- to three-unit (23.7%) buildings. Vacant residential properties are dispersed throughout the neighborhood, with the greatest concentration located between Champion and Linwood Avenues, south of East Livingston. Fewer vacancies are found in the southeast area of the neighborhood. One-third (33.1%) of all vacant residences are located on a block with three or more other vacant residences. Of the 993 vacant lots estimated to exist in Columbus, 82 (8.2%) are located within the Livingston-Driving Park neighborhood.
- **North Linden.** In April 2007, Columbus Code Enforcement identified 349 vacant residential structures in North Linden, 3.6% of all residential structures (the lowest residential vacancy rate of the three study neighborhoods). Of these, 86.2% are single-family residences. Over 90% of vacancies are located south of North Broadway Avenue, with only 32 vacant residences scattered across the north half of the neighborhood. Vacant residential buildings are distributed such that approximately one-third occur on a block with no other vacant residences, one-third are on a block with one or two other vacant residences, and one-third are on a block with three or more other vacant residences. Of the 993 vacant lots estimated to exist in Columbus, 17 (1.7%) are located within the North Linden neighborhood.

5.02c. Local government costs of vacant and abandoned properties

The following are costs incurred from 2006 to 2007 by the City of Columbus and other local taxing districts as a result of vacant and abandoned properties:

- **Direct municipal costs.** \$124,100 to demolish 27 primary structures citywide, including \$35,900 to demolish eight structures in the three study neighborhoods; \$72,600 for boarding and \$515,200 for grass cutting and trash removal citywide, including \$13,800 for boarding and \$126,500 for grass and refuse in the study neighborhoods; and \$185,000 in costs related to fires at vacant and abandoned residential buildings in the study neighborhoods only

- **Lost tax revenue.** \$7.5 million in property tax loss from building demolition and tax delinquency, including \$1.8 million in the study neighborhoods

5.02d. Vacancy and neighborhood property values

The research examined patterns of property values in the three study neighborhoods in relationship to the location of vacant and abandoned properties. This was done by examining median assessed values and median sales prices of residential properties, grouped by their proximity to residences. Proximity was analyzed in two ways: 1) “as the crow flies” distance from vacancies; and 2) on the same block face as vacancies. The research did not include statistical analysis to test for cause and effect or correlations, or to account for differences in the physical characteristics or locations of the housing stock within a neighborhood.

- **Franklinton: unexpected pattern and evidence of property flipping.** In 2006, 97% of all occupied 1- to 3-unit properties in Franklinton were located within 299 feet of a vacant residence, and 76% were located on a block with at least one vacant property. In 2005 and 2006, 98% of all residential properties sold in Franklinton were located within 299 feet of a vacant residence.

Franklinton exhibits the characteristics of a weak housing market, with proportionately fewer home sales than in the other study neighborhoods. A counterintuitive pattern, where properties closest to vacancies had the greatest increases sales price, was also found in Franklinton, which may be evidence of property flipping or other similar unscrupulous real estate practices. Between 1999-2000 and 2005-2006, the sales price of properties with three or more vacancies on the same block *increased* by 21%, while those with no vacancies on their block *decreased* by 17%.

- **Livingston-Driving Park: mixed pattern of value and price.** In 2006, 90% of all occupied 1- to 3-unit properties in Livingston-Driving Park were located within 299 feet of a vacant residence, and 61% were located on a block with at least one vacant property. In 2005 and 2006, 95% of all residential properties sold in Livingston-Driving Park were located within 299 feet of a vacant residence.

The Livingston-Driving Park neighborhood exhibited a mixed pattern of housing values and sales prices in relationship to vacancies. The analysis found examples of expected patterns in sales price increase (greater price increase with distance from vacancy), as well as unexpected patterns (potential evidence of property flipping) in assessed value increase. The Livingston-Driving Park analysis also revealed instances where there was little difference in value or price across groups, or a mixed “up and down” pattern, based on proximity to vacant properties.

- **North Linden: expected pattern of decrease with proximity to vacancy.** In 2006, 53% of all occupied 1- to 3-unit properties in North Linden were located within 299 feet of a vacant residence, and 38% were located on a block with at least one vacant property. In 2005 and 2006, 55% of all residential properties sold in North Linden were located within 299 feet of a vacant residence. In North Linden, unlike the other Columbus study neighborhoods, there is generally a

clear pattern of increased assessed property value and sales price with distance from a vacant property.

The North Linden neighborhood, for the most part, exhibited the expected pattern of housing values in relationship to vacancies, with assessed values and sales prices generally increasing with distance from vacant properties. For example, the increase in median sales price between 1999-2000 and 2005-2006 for properties sold on a block with three or more vacancies was about half that for properties sold on a block with fewer or no vacant residences (11% increase; +\$6,250 vs. 21-24% increase; +\$15,000).

North Linden north of Oakland Park Avenue. The portion of the North Linden neighborhood north of Oakland Park Drive presented a unique opportunity to determine if a different pattern of assessed value and sales price exists in an area with relatively few and widely scattered vacancies. This sub-area analysis shows a smaller range of property values and sales prices, based on proximity to vacancies, than is the case in the analysis of the larger North Linden neighborhood. There is even some evidence of property flipping, with very large sales price increases for properties sold on blocks with three or more vacancies.

5.02e. Perspectives on vacant and abandoned properties in Columbus

- **Addressing vacant and abandoned properties.** The City of Columbus has developed a comprehensive and ongoing system for identifying and tracking vacant properties. The first comprehensive neighborhood sweep was conducted in 2006. Addressing vacant and abandoned properties is a top priority of city leadership. The Columbus Home Again program was launched in 2006 to combat vacant and abandoned properties. The city has committed \$25 million over six years with a stated goal of putting 1,000 properties back to productive use by 2012. The five components of the Home Again program are enforcement, prevention, acquisition, rehabilitation, and demolition.
- **Impacts of vacancy and abandonment.** City officials describe abandoned and neglected homes as eye-sores and magnets for crime and vandalism within neighborhoods. The Home Again program was founded on the belief that “one vacant house is one vacant house too many” and that vacant and abandoned properties pose “a very real problem to every family living next door to an abandoned house.” For the City of Columbus, increasing numbers of vacant and abandoned properties can hinder the city’s neighborhood revitalization strategies and investments in housing development and infrastructure improvements.

5.02a. Columbus Profile

This section provides an overview of the population and housing stock as a context for the analysis of vacant and abandoned properties in the Franklinton, Livingston-Driving Park, and North Linden neighborhoods in Columbus.

Population profile

The City of Columbus is located in Franklin County in central Ohio. In 2006, the city's total estimated population was 733,203, making it the largest city in Ohio. The city's 2006 population represents a 15.8% increase from its 1990 population of 632,910. Nearly one-third of Columbus' population is made up of racial and ethnic minorities. In 2000, Columbus had a higher poverty rate (14.8%) and lower median household income (\$37,897) than the state of Ohio (10.6% and \$40,956). The city's 2000 unemployment rate (4.9%) was similar to that of Ohio (5.0%) (Table COL-1).

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Table COL-1. Demographic Characteristics, Columbus and Study Neighborhoods

	COLUMBUS	FRANKLINTON	LIVINGSTON- DRIVING PARK	NORTH LINDEN
Estimated population, 2006	733,203	NA	NA	NA
Total population, 2000 (1)	711,470	12,289	13,777	32,418
% change 1990-2000	12.4%	-6.2%	-17.1%	-6.7%
Percent white population	67.9%	79.8%	13.2%	63.4%
Percent non-white population (2)	32.1%	20.2%	86.8%	36.6%
Median household income, 1999 (3)	\$37,897	\$25,629	\$22,914	\$31,159
Poverty rate, 1999	14.8%	32.7%	35.7%	16.6%
Unemployment rate, 2000	4.9%	9.9%	10.2%	6.7%

Source: U.S. Census Bureau: Annual Population Estimates; Census 1990 and 2000 Summary File 1 and 3; Neighborhood Change Database (NCDB) 1970-2000 Tract Data (GeoLytics, Inc.)

- (1) For neighborhoods, census data is presented for the set of tracts that best represents the neighborhood area. Total population in 1990 and population change within neighborhoods are drawn from NCDB, which reconciles tract alignment and data across decennial censuses.
- (2) Non-white includes Census categories: Black or African American alone; American Indian and Alaska Native alone; Asian alone; Native Hawaiian and Other Pacific Islander alone; some other race alone; and two or more races
- (3) Median household income within neighborhoods was calculated by CRP as the household-weighted average of the median household incomes for tracts comprising the neighborhood

Franklinton

Franklinton is located west of downtown Columbus and is bounded by I-70 to the south and west and the Scioto River to the east. The neighborhood extends several blocks north of West Broad Street, the neighborhood's major thoroughfare. In 2000, Franklinton had an estimated population of 12,289, a decrease of 6.2% since 1990. Franklinton is the smallest of the three Columbus neighborhoods in the study and has highest percentage white population (79.8%). In 2000, the Franklinton neighborhood had a median household income that was more than \$12,000 below the citywide median and a poverty rate more than twice as high as the city's rate (Table COL-1).

Livingston-Driving Park

The Livingston-Driving Park neighborhood is located just southeast of downtown Columbus and is bounded by I-70 to the north and east, Parsons Avenue to the west, and East Whittier Street to the south (Map LD-1). In 2000, Livingston-Driving Park had an estimated population was 13,777, a decrease of 17.1% since 1990, by far the greatest percentage decline among the Columbus study neighborhoods. A large majority of the neighborhood's population is composed of racial and ethnic minorities (86.8% non-white population in 2000). In 2000, the Livingston-Driving Park neighborhood had the lowest median household income among the three study neighborhoods and the highest poverty rate (Table COL-1).

North Linden

North Linden is located north of Hudson Street and is bounded by I-71 to the west and East Cooke Road/Ferris Road to the north. The neighborhood extends several blocks to the east of Cleveland Avenue (Map NL-1). The largest of the study neighborhoods, North Linden's estimated 2000 population was 32,418, a decrease of 6.7% since 1990. In 2000, North Linden's population was about two-thirds white (63.4%). Among the study neighborhoods, North Linden had the lowest poverty rate and unemployment rate, and the highest median family income (Table COL-1).

Housing profile

This section includes data on the composition and character of the housing stock in Columbus and the three study neighborhoods from two data sources. The Franklin County Auditor records data on residential property types (Tables COL-2, 3, 4, 5). Each property, no matter how many units, is counted once. The Census counts each housing unit within a residential building (Table COL-6). In 2006, there were 181,444 residential properties in Columbus (not including condominiums), while Census 2000 identified 327,175 housing units in the city.

Composition of the housing stock

Nearly 9 out of every 10 residential properties in Columbus is a single-family residence. Among the study neighborhoods, Franklinton has the largest share of its housing stock in 2 to 3-unit properties (20.8%), followed by Livingston-Driving Park at 15.8% and North Linden with just 4.7% (Table COL-2).

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Table COL-2. Residential Properties by Number of Housing Units, Columbus and Study Neighborhoods, 2006

	COLUMBUS	FRANKLINTON	LIVINGSTON-DRIVING PARK	NORTH LINDEN
Total residential properties	181,444	2,740	3,798	9,611
Single-family units	89.6%	74.7%	79.3%	93.9%
2 to 3-units	6.7%	20.8%	15.8%	4.7%
4+ units	3.3%	3.0%	4.3%	1.2%
Mixed-use	0.3%	1.5%	0.6%	0.2%

Source: Franklin County Auditor

Age of the housing stock

Compared to most Ohio cities, Columbus has a relatively new housing stock, with almost 30% of its 1- to 3-unit residential properties built after 1979 and more than 50% built after 1959. Franklinton and Livingston-Driving Park are older neighborhoods, with 86.9% and 77.9% of their respective inventories built before 1940 and large portions constructed before 1920. In North Linden, 7 of every 10 properties were built during the 1940's and 1950's. In the study neighborhoods, very little construction of new residential properties has taken place since 1980. (Table COL-3).

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Table COL-3. Year of Construction of 1- to 3-unit Residential Properties, Columbus and Study Neighborhoods

	COLUMBUS	FRANKLINTON	LIVINGSTON- DRIVING PARK	NORTH LINDEN
Total 1- to 3-unit properties	174,770	2,617	3,611	9,477
1919 or earlier	11.2%	66.1%	45.9%	4.1%
1920-1939	11.2%	20.8%	32.0%	13.7%
1940-1959	22.0%	4.9%	18.6%	70.7%
1960-1979	23.3%	1.1%	0.6%	9.1%
1980 or after	29.8%	0.1%	1.0%	0.5%
Year not available	2.4%	7.0%	1.8%	2.0%

Source: Franklin County Auditor

Assessed housing values

In Columbus, the 2006 median assessed value for all 1- to 3-unit residences was \$120,400 (Table COL-4). Between 2002 and 2006, a large majority of these properties (73.4%) increased in assessed value by from 10% to 49%, while just 5.0% of properties increased by 50% or more (Table COL-5).

Franklinton had the lowest 2006 median assessed value at \$37,900, which was \$20,000 less than the Livingston-Driving Park median, about \$40,000 less than the North Linden median, and over \$42,000 below the citywide median assessed value. In North Linden, the change in assessed values between 2002 and 2006 was similar to that for the city. While Franklinton and Livingston-Driving Park had higher proportions of their housing stock increase in value by 50% or more, these two neighborhoods also had higher occurrence of properties losing value or remaining relatively static in value.

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Table COL-4. Assessed Value of 1- to 3-unit Residential Properties, Columbus and Study Neighborhoods, 2006

	COLUMBUS	FRANKLINTON	LIVINGSTON- DRIVING PARK	NORTH LINDEN
Median assessed value	\$120,400	\$37,900	\$57,900	\$78,000
25 th percentile value	\$78,300	\$29,700	\$47,800	\$61,900
75 th percentile value	\$164,500	\$46,900	\$70,800	\$91,900
Highest value	\$3,447,500	\$119,700	\$188,300	\$370,900

Source: Franklin County Auditor

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Table COL-5. Change in Assessed Value of 1- to 3-unit Residential Properties, Columbus and Study Neighborhoods, 2002-2006

	COLUMBUS		FRANKLINTON		LIVINGSTON-DRIVING PARK		NORTH LINDEN	
Total properties (1)	162,525	100.0%	2,448	100.0%	3,502	100.0%	9,255	100.0%
Decrease 10% +	1,691	1.0%	141	5.8%	91	2.6%	153	1.7%
Static (-9% to +9%)	33,239	20.5%	922	37.7%	1,277	36.5%	2,716	29.3%
Increase 10-24%	88,158	54.2%	734	30.0%	980	28.0%	4,732	51.1%
Increase 25-49%	31,257	19.2%	406	16.6%	627	17.9%	1,438	15.5%
Increase 50-99%	5,839	3.6%	176	7.2%	382	10.9%	179	1.9%
Increase 100% +	2,341	1.4%	69	2.8%	145	4.1%	37	0.4%

Source: Franklin County Auditor

(1) Total includes 1-3 unit residential properties built before 2002 (the year of initial assessment) that were still standing in 2006 (the year of the second assessment)

Housing tenure

Vacant housing is categorized by the U.S. Census according to the reason for vacancy, such as being for rent, sale, or seasonal use. Vacant units that cannot be classified in one of these categories are included in an “other vacant” category. For this study, it is assumed that vacant and abandoned units fall into the “other vacant” category.

In 2000, the census identified a total of 25,641 vacant housing units in Columbus (7.8%), with 5,411 units (21.1%) in the “other vacant” category. Since 1990, total vacant units increased by 21.6% and “other vacant” units increased by 1,767 units. Nearly half (49.0%) of Columbus’s occupied housing units were owner-occupied in 2000 (Table COL-6).

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Table COL-6. Housing Tenure: Columbus and Study Neighborhoods, 2000

	COLUMBUS	FRANKLINTON	LIVINGSTON-DRIVING PARK	NORTH LINDEN
Total housing units	327,175	6,079	6,118	14,379
Change 1990-2000	17.7%	6.0%	-8.5%	-0.5%
Owner occupied (1)	45.2%	22.5%	37.0%	59.1%
Renter occupied	46.9%	59.5%	44.4%	32.5%
Vacant	7.8%	18.0%	19.6%	8.4%
Vacant for rent	13,955	585	404	542
Vacant for sale only	3,079	82	128	188
Vacant rented or sold, not occupied	2,075	140	140	78
Seasonal, recreational, or occasional use	1,113	77	5	13
Migrant worker units	8	1	1	0
Other vacant	5,411	209	521	385
Total vacant	25,641	1,094	1,199	1,206

Source: U.S. Census Bureau: Census 1990 and 2000 Summary File 1; Neighborhood Change Database (NCDB) 1970-2000 Tract Data (GeoLytics, Inc.)

(1) For neighborhoods, census data is presented for the set of tracts that best represents the neighborhood area. Total, occupied, and owner-occupied units and change 1990-2000 are drawn from NCDB, which reconciles tract alignment and data across decennial censuses.

Franklinton and Livingston-Driving Park had owner-occupancy rates well below the citywide rate, and North Linden had an owner-occupancy rate significantly above the citywide rate.

According to the 2000 Census, the Franklinton and Livingston-Driving Park neighborhoods had overall vacancy rates of 18.0% and 19.6%, respectively. North Linden's vacancy rate of 8.4% was similar to the Columbus rate of 7.8%. In Livingston-Driving Park, 521 of the neighborhood's vacant units (43.5%) were classified as "other vacant," more than double the city figure (21.1%). Combined, the three study neighborhoods accounted 8.1% of Columbus' housing units, 13.7% of its vacant units, and 20.6% of its "other vacant" units.

5.02b. Columbus: Incidence of Vacant and Abandoned Properties

This section describes the method used to track vacant and abandoned properties in Columbus, and provides an overview of the magnitude of vacancy and abandonment in the city and detailed information about the incidence of vacant and abandoned properties in the Franklinton, Livingston-Driving Park, and North Linden neighborhoods. The analysis of vacant and abandoned property incidence looks separately at vacant buildings and vacant lots without buildings.

Incidence of vacant and abandoned properties in Columbus

City of Columbus method for tracking vacant and abandoned properties

In 2006, Columbus's Code Enforcement Unit, which is housed within the city's Department of Development, Division of Neighborhood Services, conducted a survey to document the location of vacant and abandoned properties throughout the city. Property Maintenance Inspectors, working in nine geographically defined code enforcement areas, conducted "windshield" assessments by driving every street within their district (concentrating primarily on residential structures) and documenting the current condition of buildings. Buildings were then rated as good, fair, or poor, according to the following descriptions:

- **Good:** A vacant building with windows and doors intact or with a few openings boarded in an inconspicuous way. The roof, foundation, and exterior elements are in good shape. The property is likely not noticeable as vacant to the casual observer.
- **Fair:** A vacant property requiring boarding by the city and orders for substantial repairs. Structural problems may be limited to an accessory building on the property.
- **Poor:** A vacant building with severe code violations requiring immediate attention (i.e. presenting a public hazard). Structural issues may be one large problem (collapsing roof) or a combination of many smaller problems.

The survey was completed in late 2006, and all data were entered into a newly created database, designed specifically for the project. A copy of this database was provided to CRP in April 2007. Code Enforcement continues to add and delete records from the vacant property inventory as routine and follow-up property inspections are conducted, and as new structures fall into abandonment and others are repaired or demolished. The city also plans to continue conducting a citywide, annual sweep of every property, for the purpose of continually identifying vacant and abandoned properties, at the end of every year.

Incidence of vacant and abandoned buildings

As of April 2007, data provided by Columbus' Code Enforcement Unit indicated a total of 3,875 vacant and abandoned residential buildings in Columbus. Based on the number of residential properties in the Franklin County Auditor's database, CRP estimates that 2.1% of all residential properties in the city are vacant and abandoned.

Incidence of vacant and abandoned land

Data from Columbus Code Enforcement and citywide land bank data were used to calculate the number of vacant lots in the city, which CRP estimated to be 993. In 2006, Code Enforcement records included 1,408 lots for which the city assumed responsibility for mowing and maintaining in 2006. Of these, 701 have existing structures currently identified in the city's (2007) vacant buildings inventory, which were excluded from the overall vacant lot estimate. Additionally, the city's land bank currently houses 295 parcels, nine of which were also excluded from the overall vacant lot estimate as duplicates. CRP combined these two data sets (2006/2007) to calculate the current estimated citywide vacant lot inventory to be 993 parcels.

Franklinton: vacant and abandoned residential property

Incidence of vacant and abandoned buildings

In April 2007, there were 383 residential structures in Franklinton identified as vacant by Columbus Code Enforcement. Based on this reporting, the Franklinton neighborhood has a residential vacancy rate of 14.0% (Table FR-1; Map FR-1). The largest numbers of these buildings are single-family (71.8%) and two- to three-unit (24.3%) buildings.

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Table FR-1. Vacant Residential Buildings by Type: Franklinton, 2007

	RESIDENTIAL BUILDINGS	PERCENT OF VACANT BUILDINGS
Total residential buildings	2,740	
Percent vacant	14.0%	
Total vacant residential buildings	383	100.0%
Single-family units	275	71.8%
2 to 3 units	93	24.3%
4+ units	9	2.3%
Mixed-use	6	1.6%

Source: City of Columbus Code Enforcement, Franklin County Auditor



Princeton Avenue



Avondale Ave



S. Souder Ave



S. Gift Street

Location of vacant and abandoned buildings

There is virtually no section of the Franklinton neighborhood that is free of vacant and abandoned housing. Vacant residential properties blanket the neighborhood and in many areas are clustered together. Over half (53.1%) of all vacant residences were on a block with three or more other vacancies, and 83.8% occurred on a block with at least one other vacant residence (Table FR-2).

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Table FR-2. Clustering of Vacant Residential Buildings by Block: Franklinton, 2007 (1)

	NUMBER OF VACANT BUILDINGS	PERCENT OF VACANT BUILDINGS
Total vacant residential buildings (1 to 4+ units)	377	100.0%
Vacant residence on block with no other vacant	61	16.2%
On block with 1 other vacant residence	74	19.6%
On block with 2 other vacant residences	42	11.1%
On block with 3+ other vacant residences	200	53.1%

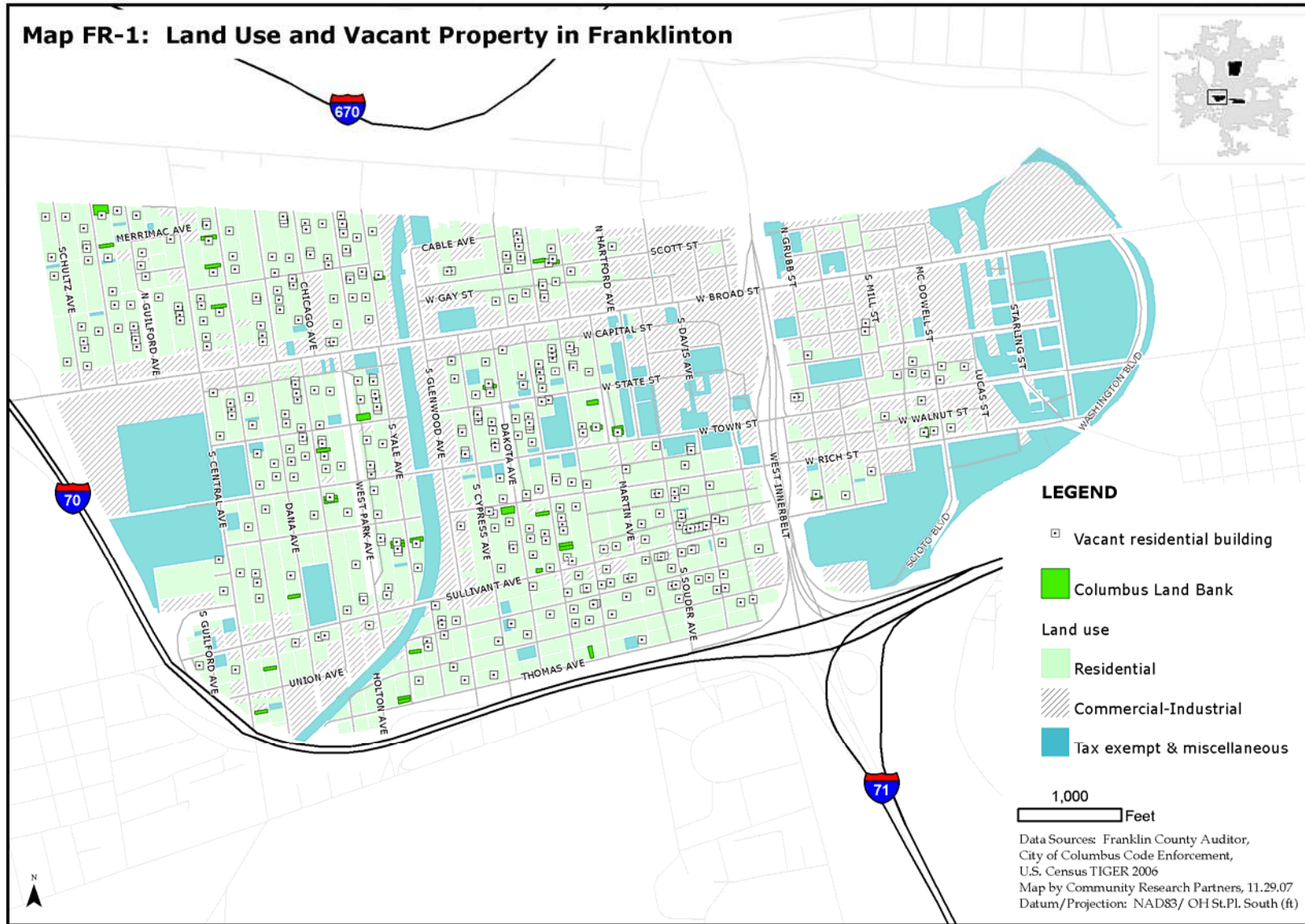
Source: City of Columbus Code Enforcement, Franklin County Auditor; U.S. Census Bureau, 2006 Second Edition TIGER/Line® Files

(1) A block is defined as an individual street segment as available in TIGER 2006. Vacant properties are assigned to blocks based on the County Auditor's location address.

Vacant and abandoned land

Of the 993 vacant lots estimated to exist in Columbus, 57 (5.7%) are located within the Franklinton neighborhood. Map FR-1 indicates the location of land bank properties located within the neighborhood (34 parcels).

Map FR-1: Land Use and Vacant Property in Franklinton



Livingston-Driving Park: Vacant and abandoned residential property

Incidence of vacant and abandoned buildings

In April 2007, there were 359 residential structures in Livingston-Driving Park identified as vacant by Columbus Code Enforcement. Based on this reporting, the Livingston-Driving Park neighborhood has a residential vacancy rate of 9.5%. The largest numbers of these buildings are single-family (68.8 %) and two- to three-unit (23.7%) buildings (Table LD-1).

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Table LD-1. Vacant Residential Buildings by Type: Livingston-Driving Park, 2007

	RESIDENTIAL BUILDINGS	PERCENT OF VACANT BUILDINGS
Total residential buildings	3,798	
Percent vacant	9.5%	
Total vacant residential buildings	359	100.0%
Single-family units	247	68.8%
2 to 3 units	85	23.7%
4+ units	24	6.7%
Mixed-use	3	0.8%

Source: City of Columbus Code Enforcement, Franklin County Auditor



Seymour Ave



Seymour Ave



Forest Street



Berkeley Rd

Location of vacant and abandoned buildings

As in Franklinton, vacant residential properties were dispersed throughout the Livingston-Driving Park neighborhood (Map LD-1), although fewer vacancies are found in the southeast area of the neighborhood. There were many clusters of vacant properties, and one-third (33.1%) of all vacant residences were located on a block with three or more other vacant residences (Table LD-2). The greatest concentration of vacant and abandoned housing was located between Champion Avenue and Linwood Avenue, south of East Livingston Avenue.

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Table LD-2. Clustering of Vacant Residential Buildings by Block: Livingston-Driving Park, 2007 ⁽¹⁾

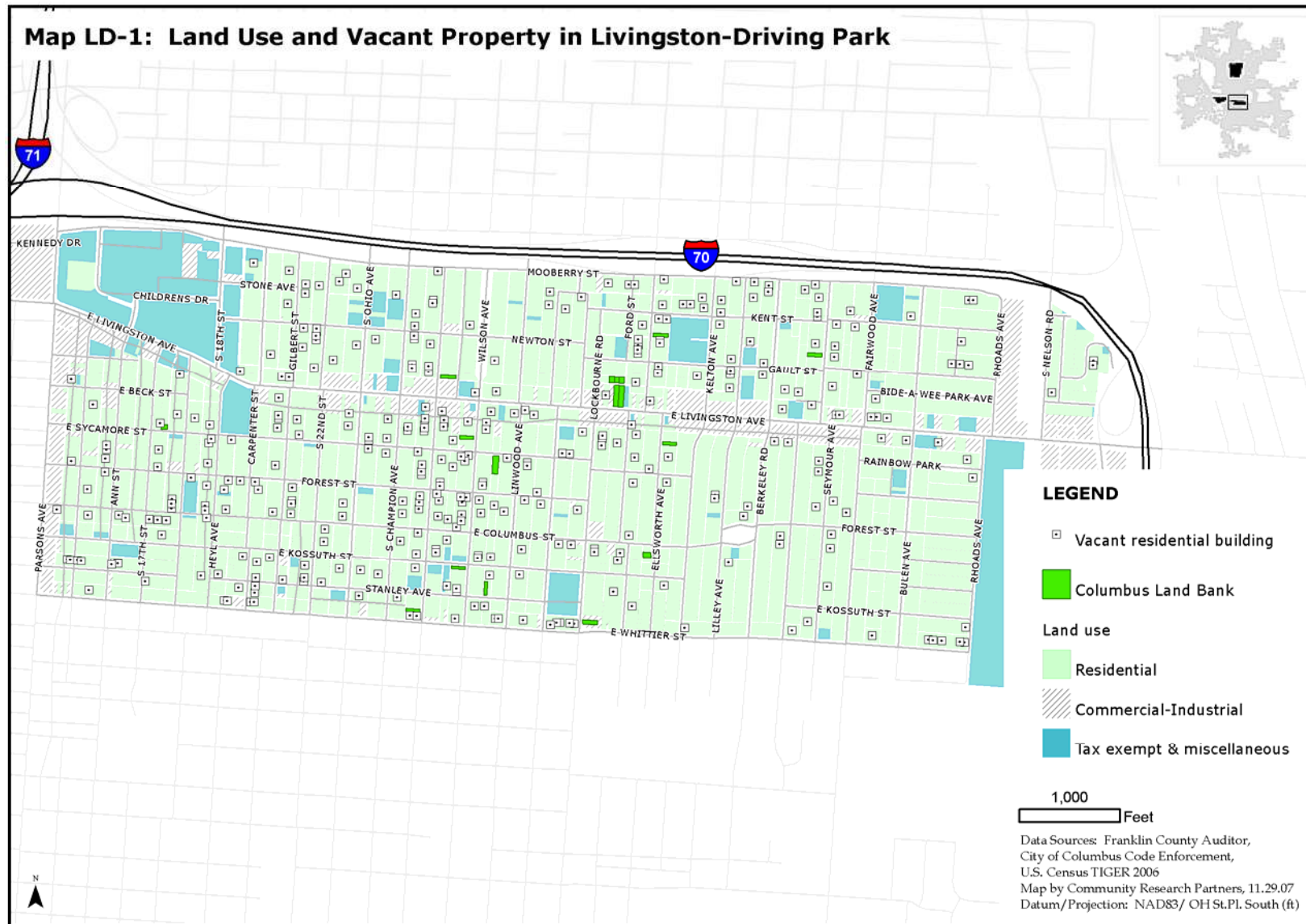
	NUMBER OF VACANT BUILDINGS	PERCENT OF VACANT BUILDINGS
Total vacant residential buildings (1 to 4+ units)	356	100.0%
Vacant residence on block with no other vacant	82	23.0%
On block with 1 other vacant building	87	24.4%
On block with 2 other vacant buildings	69	19.4%
On block with 3+ other vacant buildings	118	33.1%

Source: City of Columbus Code Enforcement, Franklin County Auditor; U.S. Census Bureau, 2006 Second Edition TIGER/Line® Files

(1) A block is defined as an individual street segment as available in TIGER 2006. Vacant properties are assigned to blocks based on the auditor's location address.

Livingston-Driving Park: Vacant and abandoned land

Of the 993 vacant lots estimated to exist in Columbus, 82 (8.3%) are located within the Livingston-Driving Park neighborhood. Map LD-1 indicates the location of land bank properties located within the neighborhood (17 parcels).



North Linden: Vacant and abandoned residential property

Incidence of vacant and abandoned buildings

In April 2007, there were 349 residential structures in North Linden identified as vacant by Columbus Code Enforcement. Based on this reporting, the North Linden neighborhood has a residential vacancy rate of approximately 3.6%, the lowest of the three neighborhoods. Of these, 86.2% are single-family residences (Table NL-1).

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Table NL-1. Vacant Residential Buildings by Type: North Linden, 2007

	RESIDENTIAL BUILDINGS	PERCENT OF VACANT BUILDINGS
Total residential buildings	9,611	
Percent vacant	3.6%	
Total vacant residential buildings	349	100.0%
Single-family units	301	86.2%
2 to 3 units	41	11.7%
4+ units	3	0.9%
Mixed-use	4	1.1%

Source: City of Columbus Code Enforcement, Franklin County Auditor



Pontiac Street



Pontiac Street



Osceola Ave



Osceola Ave

Location of vacant and abandoned buildings

Over 90% of the vacant residential properties in North Linden fall to the south of North Broadway Avenue, leaving just 32 vacant residences scattered across the north half of the neighborhood (Map NL-1). Vacant residential buildings are distributed such that approximately one-third occur on a block with no other vacant residences, one-third occur on a block with one or two other vacant residences, and one-third occur on a block with three or more other vacant residences (Table NL-2).

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Table NL-2. Clustering of Vacant Residential Buildings by Block: North Linden, 2007 ⁽¹⁾

	NUMBER OF VACANT BUILDINGS	PERCENT OF VACANT BUILDINGS
Total vacant residential buildings (1 to 4+ units)	346	100.0%
Vacant residence on block with no other vacant	115	33.2%
On block with 1 other vacant building	72	20.8%
On block with 2 other vacant buildings	44	12.7%
On block with 3+ other vacant buildings	115	33.2%

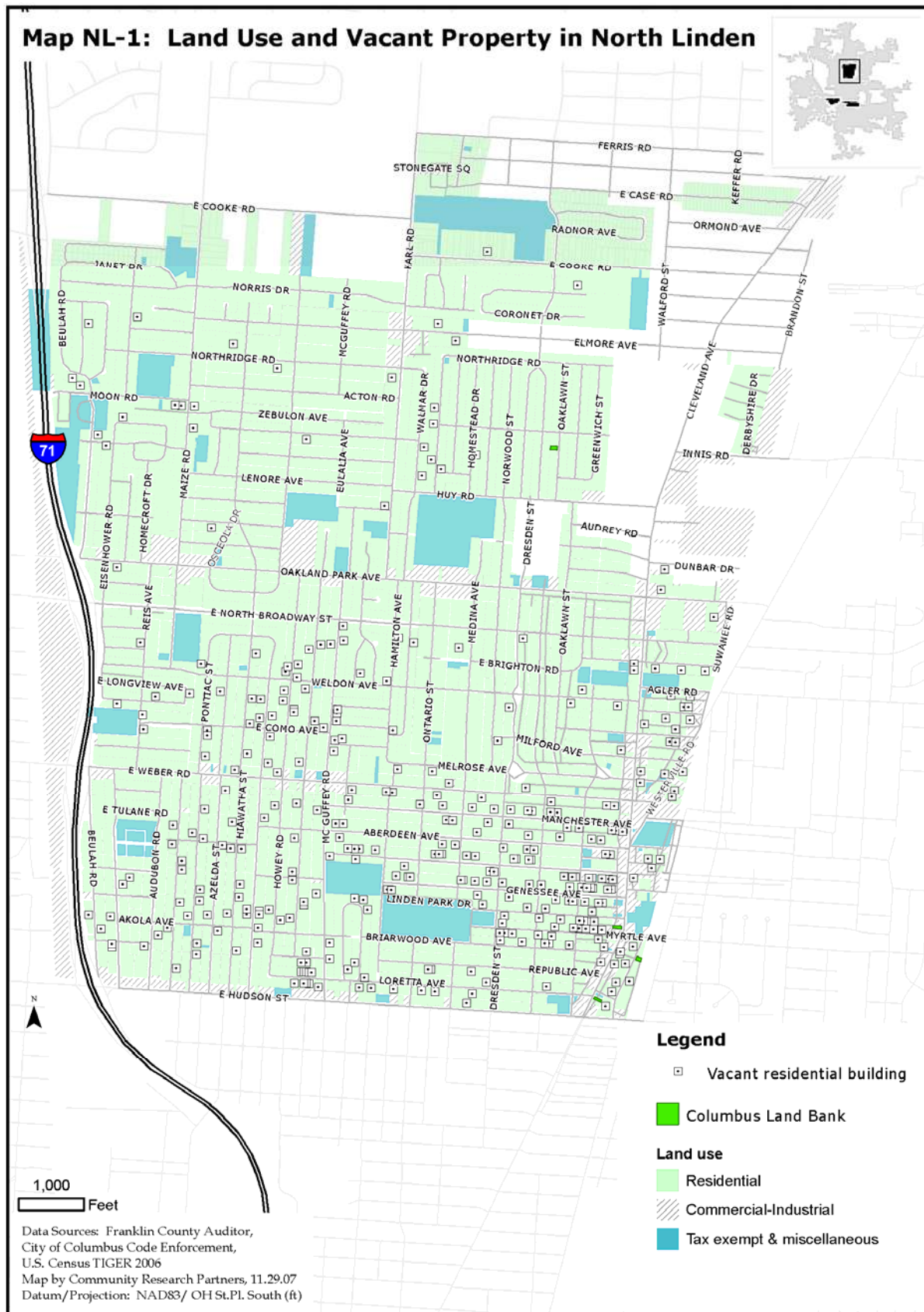
Source: City of Columbus Code Enforcement, Franklin County Auditor; U.S. Census Bureau, 2006 Second Edition TIGER/Line® Files

(1) A block is defined as an individual street segment as available in TIGER 2006. Vacant properties are assigned to blocks based on the auditor's location address.

North Linden: Vacant and abandoned land

Of the 993 vacant lots estimated to exist in Columbus, 17 (1.7%) are located within the North Linden neighborhood. Map NL-1 indicates the location of land bank properties located within the neighborhood (four parcels).

Map NL-1: Land Use and Vacant Property in North Linden



5.02c. Columbus: Local Government Costs of Vacant Properties

This section examines the financial impact of vacant and abandoned properties on the City of Columbus and other local jurisdictions. This includes:

- **Direct costs to local government.** The City of Columbus' costs related to addressing vacant and abandoned properties, including boarding, demolition, mowing and trash removal, and the cost of fire services to address fire incidents in vacant residential buildings.
- **Foregone property taxes.** The reduction in property tax collections resulting from vacant building demolition and delinquent, unpaid taxes on vacant and abandoned properties.

In certain instances, data on local government costs were available at a citywide level, and in others, only for the three study neighborhoods.

Direct costs to the City of Columbus

Boarding costs

In 2006, the City of Columbus spent an estimated \$72,601 to board 547 unique properties on 690 different occasions (112 requiring multiple boardings during the year). Nearly 20% of this total was spent on properties within the three study neighborhoods:

- Franklinton: \$3,940 to board 28 properties on 37 occasions
- Livingston-Driving Park: \$4,920 to board 43 properties on 50 occasions
- North Linden: \$4,930 to board 32 properties on 44 occasions

Demolition costs

In 2006, the City of Columbus demolished a total of 27 buildings for a total of \$124,098. Of these, five demolitions were within the Franklinton neighborhood (estimated expenditure: \$20,619), two were in Livingston-Driving Park (estimated expenditure: \$10,825), and one was in North Linden (estimated expenditure: \$4,454).

Property maintenance costs: grass mowing and trash removal

In 2006, the City of Columbus spent a total \$515,182 to mow and clean up 1,408 lots. Twenty-two percent of these lots were in the three study neighborhoods:

- Franklinton: 91 lots (estimated expenditure: \$42,478),
- Livingston-Driving Park: 150 lots (estimated expenditure: \$52,957)
- North Linden: 70 lots (estimated expenditure: \$31,110).

Fire services

Between January 2006 and August 2007, a total of 1,121 building fires occurred within the City of Columbus, 924 of which were in residential buildings. The city cost per run is estimated to be \$5,000 per fire incident (see Section 1 for cost methodology).

- Franklinton: Of the 60 residential fires, 18 were in buildings identified by Code Enforcement as vacant, for a city cost of \$90,000 for vacant property fire runs. Vacant residences comprise 14.0% of all residential properties in Franklinton, but represented 30.0% of residential fires.
- Livingston-Driving Park: Of the 37 residential fires, 9 were in buildings identified by Code Enforcement as vacant, for a city cost of \$45,000 for vacant property fire runs. Vacant residences make up 9.5% of all residential properties in Livingston-Driving Park, but comprised 24.3% of residential building fires.
- North Linden: Of the 36 residential fires, 10 were in buildings identified by Code Enforcement as vacant, for a city cost of \$50,000 for vacant property fire runs. Vacant residences make up 3.6% percent of all residential structures in North Linden, but comprised 27.8% of all residential fires.

Lost tax revenue

Tax loss due to delinquency of vacant and abandoned buildings

Of the 3,875 vacant and abandoned residential properties in the Columbus Code Enforcement inventory, 1,535 (39.6%) were currently tax delinquent, through 2006, with a total delinquency of \$6,718,430. The following is the tax loss from tax delinquent vacant and abandoned buildings in the study neighborhoods:

- In Franklinton, 35.0% of vacant properties were delinquent in 2006 (134 out of 383), totaling \$407,148 in lost tax revenue.
- In Livingston-Driving Park, 42.3% of vacant properties were tax delinquent in 2006 (152 out of 359), for a total of \$647,084 in lost tax revenue.
- In North Linden, 38.1% of vacancies were delinquent (133 out of 349), amounting to \$616,806 in uncollected tax revenue in 2006.

Tax loss due to delinquency of vacant and abandoned lots

The tax loss from currently tax delinquent vacant and abandoned residential lots in Columbus is estimated to be \$720,609. The estimated tax delinquency per lot for the city's 993 vacant and abandoned lots was based on the current average tax delinquency (through 2006) in the county auditor database for all tax delinquent vacant residential lots in Columbus (\$726). Using this same methodology, the following is the estimated 2006 delinquency resulting from vacant and abandoned lots in the three study neighborhoods:

- Franklinton: 57 lots with an estimated total delinquency of \$41,382
- Livingston-Driving Park: 82 lots with an estimated total delinquency of \$59,532
- North Linden: 17 lots with an estimated total 2006 delinquency of \$12,342

Tax loss due to demolition

In Franklinton, the estimated property tax loss (see Section 1 for methodology) from the demolition of five primary residential structures in 2006 was \$9,830. The estimated loss from the demolition of two structures in Livingston-Driving Park was \$6,116. In North Linden, the estimated tax loss from the demolition of one structure was \$2,899. Based on

the average tax loss from demolition in the three neighborhoods (\$2,641), the total tax loss from the 24 primary structures demolished in Columbus in 2006 was \$63,385.

5.02d. Columbus Neighborhoods: Impact on Property Values

Research has found that vacant properties reduce the value of nearby residences. This section examines patterns of property values in the three study neighborhoods in relationship to the location of vacant and abandoned properties.

Methodology

This analysis employs two methodologies to assess the relationship between vacant and abandoned properties and occupied residences in the three Columbus neighborhoods:

- **Straight line distance from a vacant property.** The first method classifies occupied residential property by its straight line distance to the nearest vacant residential property, regardless of street grid and obstacles of the terrain. The range of distances (150-foot increments, up to 450+ feet from a vacant property) is modeled after Temple University's *Blight Free Philadelphia* study.
- **On the same block face.** The second method assigns all properties to a "facing block" and then classifies each occupied residential property according to the number of vacant residential properties fronting on that same block. The term "block" is defined as an individual street segment as available in TIGER 2006, a digital roads file provided by the U.S. Census Bureau.

CRP's methodology looks at two measures of property value:

- **Assessed value.** The value assigned to a property for property tax assessment purposes by the County Auditor. All properties are reassessed periodically, so this data is available for all residential properties in a neighborhood.
- **Sales value.** The price of homes sold in the neighborhood. Data was gathered from County Auditor records for sales transactions with warranty deeds during two, two-year time periods: 1999-2000 and 2005-2006. Within each two year period, if a home sold more than once, only the highest sales price was used. Houses sold in 1999-2000 were not necessarily the same houses as those sold in 2005-2006.

It is important to note that this research looks only at *patterns* of relationship between vacancy and property values. The scope of the project *did not* include conducting statistical analyses that test for correlation or cause and effect or that account for dissimilar physical and location characteristics of the housing stock within a neighborhood. An underlying assumption of CRP's examination is that a group of residential properties within each of the study neighborhood should generally have similar assessed values and should experience similar appreciation over time.

In addition, because data on vacancy was available only for a single point in time (early 2007), but not longitudinally, CRP was able only to look at change in assessed value or sales price in relationship to the current location of vacant properties. It is not known when these properties became vacant or at what point they began to have an impact on nearby property values.

Overview of Columbus Neighborhood Property Value Patterns

Tables COL-7 and COL-8 present key findings from the analysis that examined the relationship between vacant properties and occupied properties, based on their straight-line distance from a vacant property. The analysis of assessed property values and sales prices in relationship to proximity to vacant and abandoned properties in the Columbus study neighborhoods revealed the following patterns:

Expected pattern of decrease with proximity to vacancy

The North Linden neighborhood, for the most part, exhibited the expected pattern of housing values in relationship to vacancies, with assessed values and sales prices generally increasing with distance from vacant properties. For example, the increase in median sales price between 1999-2000 and 2005-2006 for properties on a block with three or more vacancies was about half that for properties sold on a block with fewer or no vacant residences (11% increase; +\$6,250 vs. 21-24% increase; +\$15,000).

Analysis of the sub-area of North Linden north of Oakland Park Drive, where there are relatively few and widely scattered vacancies, shows a smaller range of property values and sales prices, based on proximity to vacancies, than is the case in the larger North Linden neighborhood. There is also some evidence of property flipping, with very large sales price increases for properties sold on blocks with three or more vacancies.

Unexpected pattern and evidence of property flipping

Franklinton exhibits the characteristics of a weak housing market, with proportionately fewer home sales than in the other study neighborhoods. A counterintuitive pattern, where properties closest to vacancies had the greatest increases sales price, was also found in Franklinton, which may be evidence of property flipping or other similar unscrupulous real estate practices. Between 1999-2000 and 2005-2006, the sales price of properties with three or more vacancies on the same block *increased* by 21%, while those with no vacancies on their block *decreased* by 17%.

Mixed pattern of price and value

The Livingston-Driving Park neighborhood exhibited a mixed pattern of housing values and sales prices in relationship to vacancies. The analysis found examples of expected patterns in sales price (greater price increase with distance from vacancy), as well as unexpected patterns (potential evidence of property flipping) in assessed value increase. The Livingston-Driving Park analysis also revealed instances where there was little difference in value or price across groups, or a mixed “up and down” pattern, based on proximity to vacant properties.

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Table COL-7. Columbus Overall Neighborhood Value and Price Patterns

	EXPECTED PATTERN Values and prices generally lower in closer proximity to vacancy	NO DISCERNABLE PATTERN Few differences in value and price based on proximity to vacancy	UNEXPECTED PATTERN Values and prices generally higher in closer proximity to vacancy	MIXED PATTERN Mix of patterns or no predominant pattern
Neighborhood	North Linden		Franklinton	Livingston-Driving Park

Sources: Franklin County Auditor database; CRP calculations

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Table COL-8. Columbus: Patterns of Proximity to Vacancy and Neighborhood Property Value

NEIGHBORHOOD	VACANCY CONCENTRATION, 2007			PATTERNS OF VACANCY AND NEIGHBORHOOD PROPERTY VALUES				
				<p>KEY:</p> <p>✓ Expected pattern: properties <i>farther from vacancies</i> have higher/greater: 1) assessed value, 2) increase in assessed value, 3) sales price, or 4) increase in sales price</p> <p>? Unexpected pattern: properties <i>closer to vacancies</i> have higher/greater: 1) assessed value, 2) increase in assessed value, 3) sales price, or 4) increase in sales price</p> <p>Groups: Occupied properties, grouped by distance from a vacant property: within 149 ft., 150-299 ft., 300-449 ft., 450 ft. or more</p>				
	Vacant residential buildings	Percent vacant buildings	% occupied residences within 299 ft. of vacancy	Overall Patterns	Median Assessed Value: 2006	Median Assessed Value: Change 2002-2006	Median Sales Price: 2005 and 2006	Median Sales Price: Change 1999-2000 to 2005-2006
North Linden	349	3.6%	53%	<ul style="list-style-type: none"> Expected pattern overall Mixed patterns in value and sales price <i>change</i> Wide spread in value and price across groups 	✓ Properties <i>closer</i> to vacancies had progressively <i>lower</i> values	Percentage change in value the same for all groups	✓ Properties <i>closer</i> to vacancies had progressively <i>lower</i> sales prices	Mixed pattern of sales price increase based on distance from vacancy ✓ Price increase <i>lowest</i> for properties with <i>3+ vacancies on the same block</i>
Franklinton	383	14.0%	97%	<ul style="list-style-type: none"> Unexpected pattern overall Fairly small value and price spread across groups Few sales of properties >150 ft. from a vacancy 	? Properties in the group <i>farthest</i> from vacancies had the <i>lowest</i> values	✓ Properties in the group <i>farthest</i> from vacancies had the <i>greatest</i> percentage increase in values	? Properties <i>closest</i> to vacancies had the <i>highest</i> sales prices	? Price <i>increased</i> for the group <i>closest</i> to vacancies; price <i>dropped</i> for the group <i>farther</i> from vacancies
Livingston-Driving Park	359	9.5%	90%	<ul style="list-style-type: none"> Mixed pattern overall Fairly small value and price spread across groups 	✓ Properties <i>closer</i> to vacancies had <i>lower</i> values	? Properties <i>closer</i> to vacancies had <i>progressively greater</i> increases in values	Minimal variation in sales price based on proximity to vacancy	✓ Properties <i>closer</i> to vacancies had progressively <i>lower</i> sales price increases

Source: Franklin County Auditor data and CRP calculations

Franklinton: unexpected pattern

Vacant properties and assessed property value

In 2006, 97% of all occupied 1- to 3-unit properties in Franklinton were located within 299 feet of a vacant residence, and 76% were located on a block with at least one vacant property. The following analysis of the data in Tables FR-3 and FR-4 and Maps FR-2, FR-3, and FR-4 describe patterns in median assessed property values and change in assessed values and proximity of occupied units to vacant residential properties in or near the neighborhood.

- Distance from vacant residence.** There was little difference in 2006 median assessed values for occupied properties in Franklinton less than 450 feet from a vacant residence. Median assessed value was *lowest* for the group of properties *farthest* (450 feet or more) from a vacant residence; however, this small set (only 2% of the housing stock) did have the greatest percentage increase in median value from 2002 to 2006.

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Table FR-3. Assessed Value of Occupied 1- to 3-unit Residential Properties by Distance to Vacant Residence, Franklinton, 2006

	NUMBER OF PROPERTIES (N=2,249)		MEDIAN VALUE IN 2006	MEDIAN VALUE IN 2002	CHANGE IN MEDIAN VALUE 2002-2006
Within 149 feet of a vacant residence	1,851	82%	\$38,400	\$32,800	+17%
150-299 feet away	336	15%	\$38,400	\$32,400	+19%
300-449 feet away	29	1%	\$37,200	\$32,900	+13%
450+ feet away	33	2%	\$30,000	\$23,300	+29%

Source: City of Columbus Code Enforcement, Franklin County Auditor

- On the same block with a vacant property.** Contrary to expected patterns, occupied properties in Franklinton on a block with no vacant residences had a median assessed value of about \$6,000-\$8,000 *less* than properties sharing a street block with one or more vacant residences. There was little variation in assessed value change from 2002 to 2006 for any of the groups of properties.

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Table FR-4. Assessed Value of Occupied 1- to 3-unit Residential Properties by Number of Vacant Residences on Block, Franklinton, 2006

	NUMBER OF PROPERTIES (N=2,249)		MEDIAN VALUE IN 2006	MEDIAN VALUE IN 2002	CHANGE IN MEDIAN VALUE 2002-2006
On block with 3+ vacant residences	931	41%	\$38,900	\$33,400	+16%
On block with 1 or 2 vacant residences	777	35%	\$40,700	\$34,400	+18%
On block with no vacant residences	541	24%	\$32,700	\$27,750	+18%

Source: City of Columbus Code Enforcement, Franklin County Auditor; U.S. Census Bureau, 2006 Second Edition TIGER/Line® Files

Vacant properties and sales price

In 2005 and 2006, 98% of all residential properties sold in Franklinton were located within 299 feet of a vacant residence. The following analysis of data in Tables FR-5 and FR-6 and Map FR-5 describe patterns in median sales price and change in sales price and proximity of sales to vacant residential properties in or near the neighborhood.

- **Distance from vacant residence.** There were an insufficient number of sales of Franklinton properties located more than 300 feet from a vacant residence to calculate median sales prices for this group. Properties within 149 feet of a vacant property had a *higher* median sales price in 2005 and 2006, and greater increase in sales price between 1999-2000 and 2005-2006, than did those located 150 to 299 feet from a vacancy. However the second group included fewer than 20 sales.

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Table FR-5. Sales Price of 1- to 3-unit Occupied Residential Properties by Distance to Vacant Residence, Franklinton (1)

	SALES, 2005 AND 2006 n=171		SALES, 1999 AND 2000 n=151		CHANGE IN MEDIAN PRICE, 99/00 TO 05/06
	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	
Within 149 feet of vacant residence	149	\$52,650	133	\$45,500	+16%
150-299 feet away	19	\$40,000	18	\$54,000	-26%
300-449 feet away	0	n/a	0	n/a	n/a
450+ feet away	3	n/a	0	n/a	n/a

Source: City of Columbus Code Enforcement, Franklin County Auditor

(1) Properties sold in 2005 and 2006 were not necessarily the same properties that sold in 1999 and 2000

- **On the same block with a vacant property.** Franklinton median sales prices in 2005-2006 were *higher* as the number of vacant properties on the block increased. Properties on a block with three or more vacancies had the *greatest increase* in sales prices from 1999-2000 to 2005-2006, while those on a block with no vacancy had a drop in median sales price over the period.

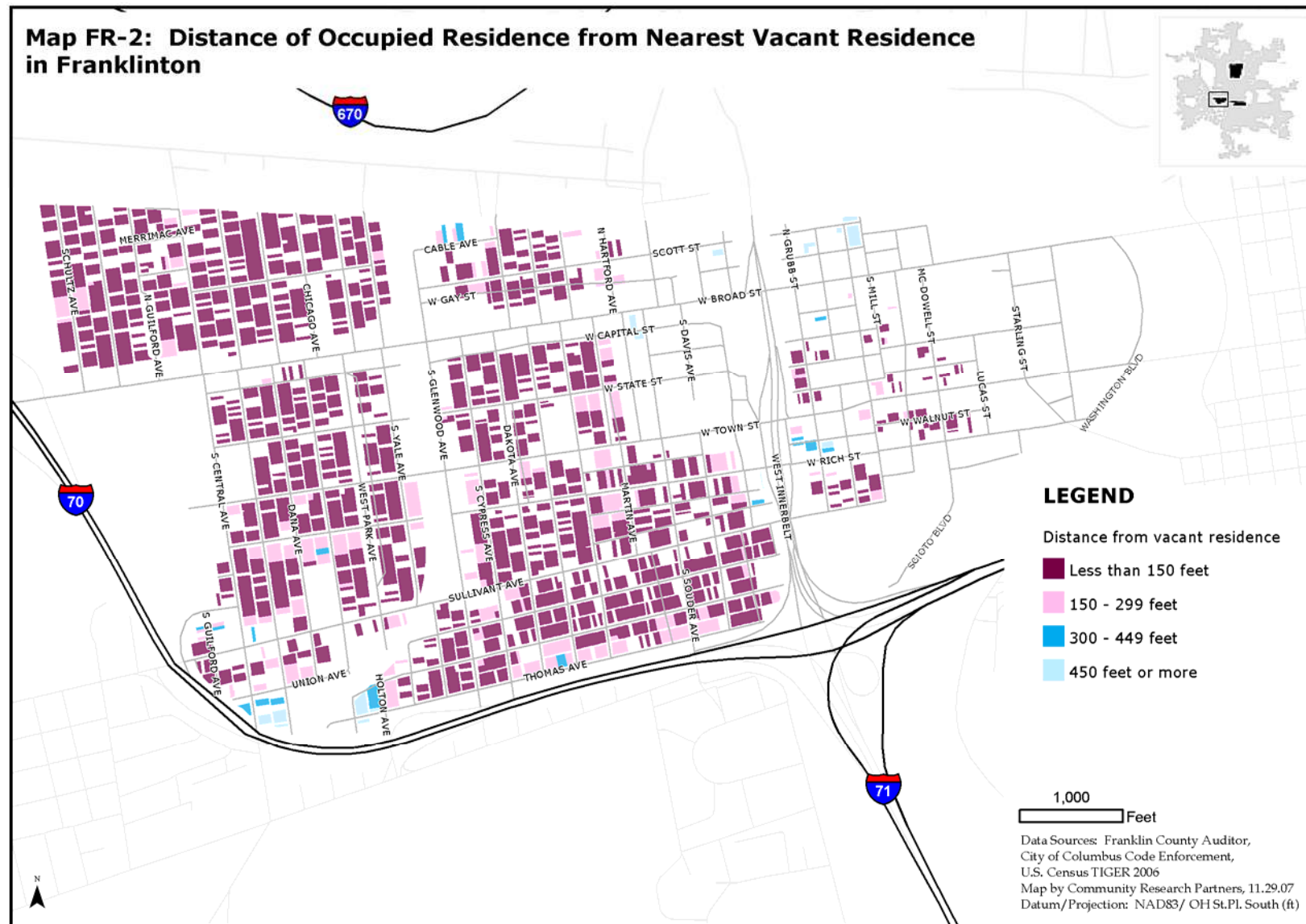
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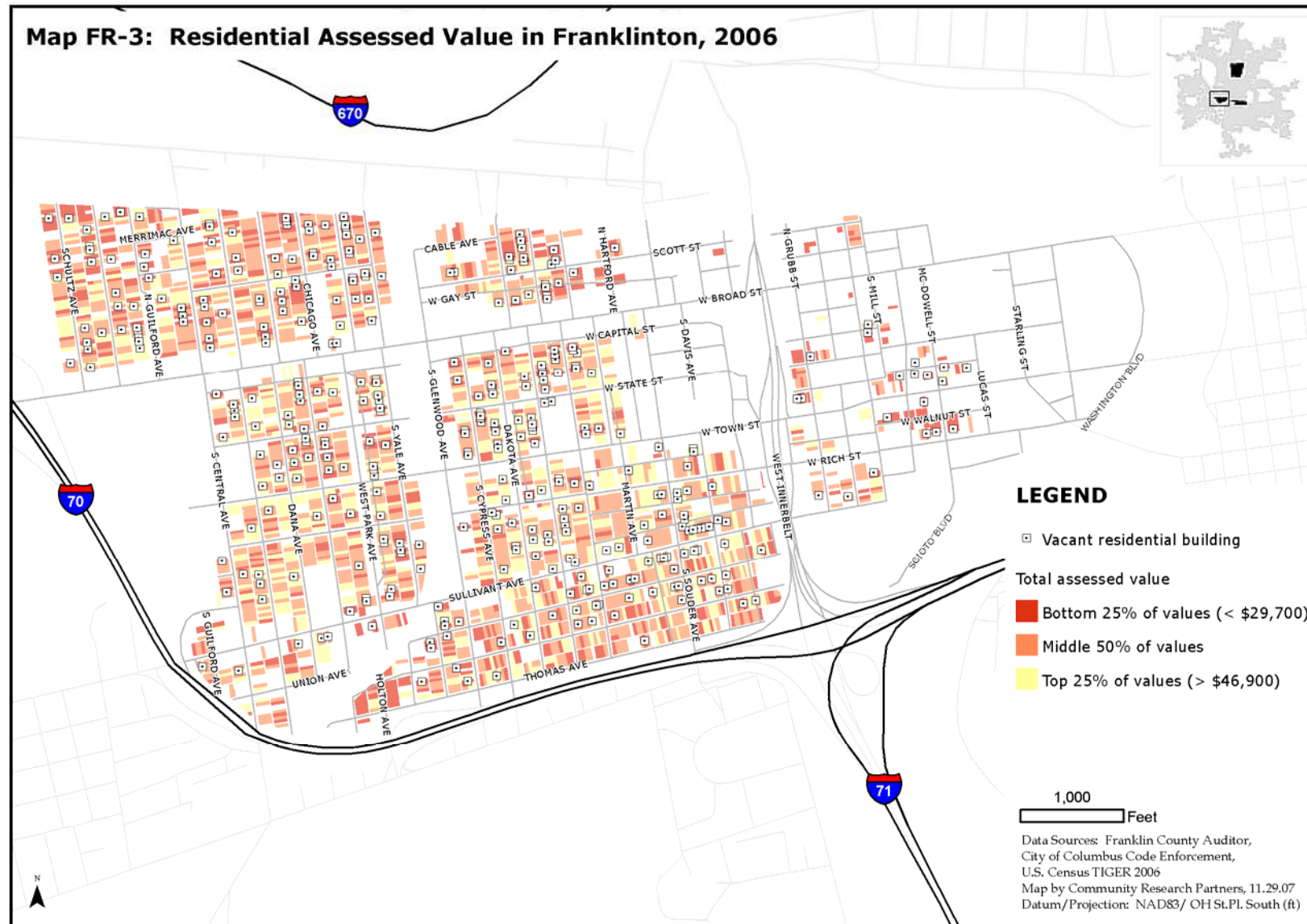
Table FR-6. Sales Price of 1- to 3-unit Occupied Residential Properties by Number of Vacant Residences on Block, Franklinton (1)

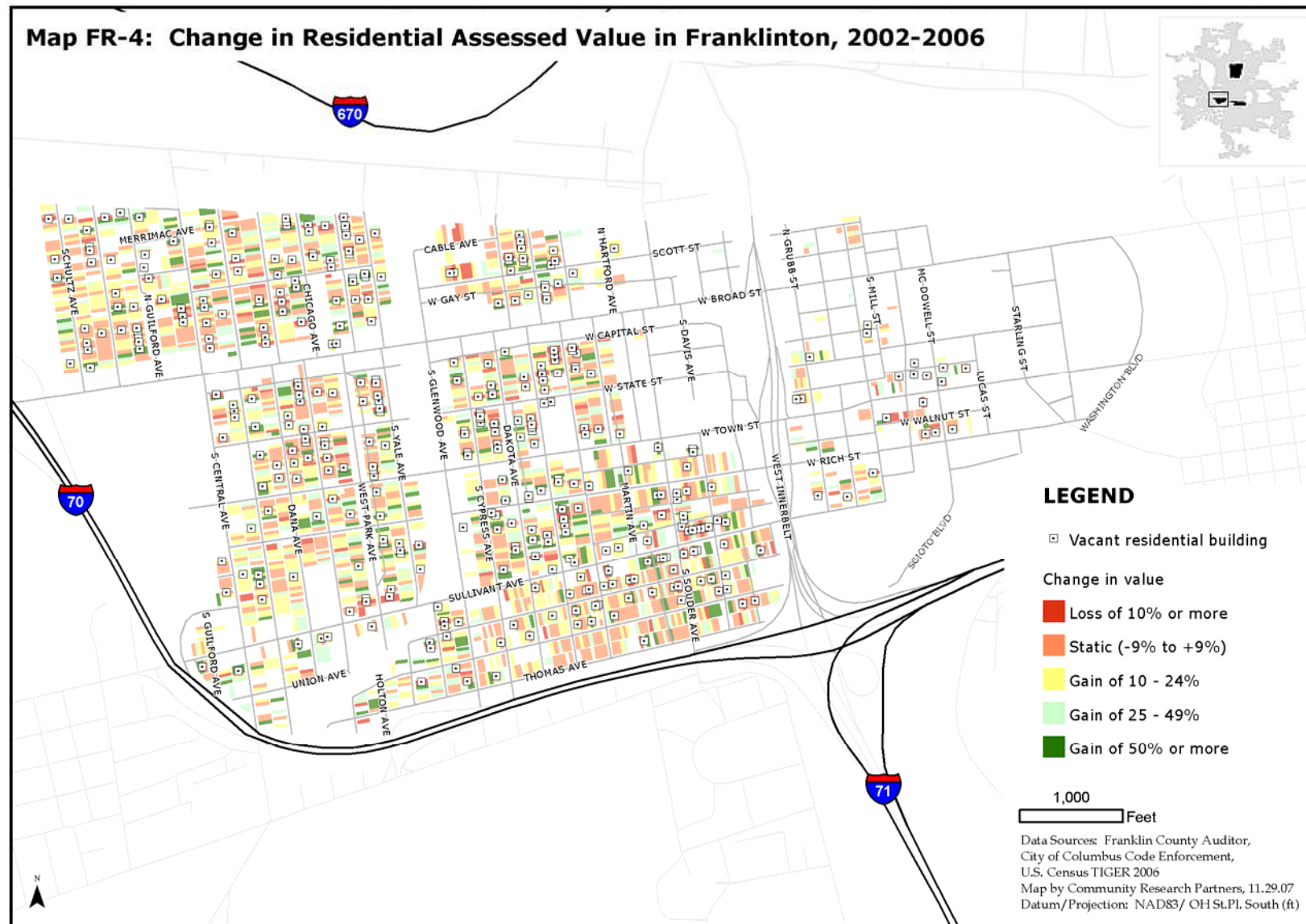
	SALES, 2005 AND 2006 n=171		SALES, 1999 AND 2000 n=151		CHANGE IN MEDIAN PRICE, 99/00 TO 05/06
	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	
On block with 3+ vacant residences	75	\$54,500	65	\$45,000	+21%
On block with 1 or 2 vacant residences	71	\$49,900	61	\$48,750	+2%
On block with no vacant residences	25	\$47,500	25	\$57,000	-17%

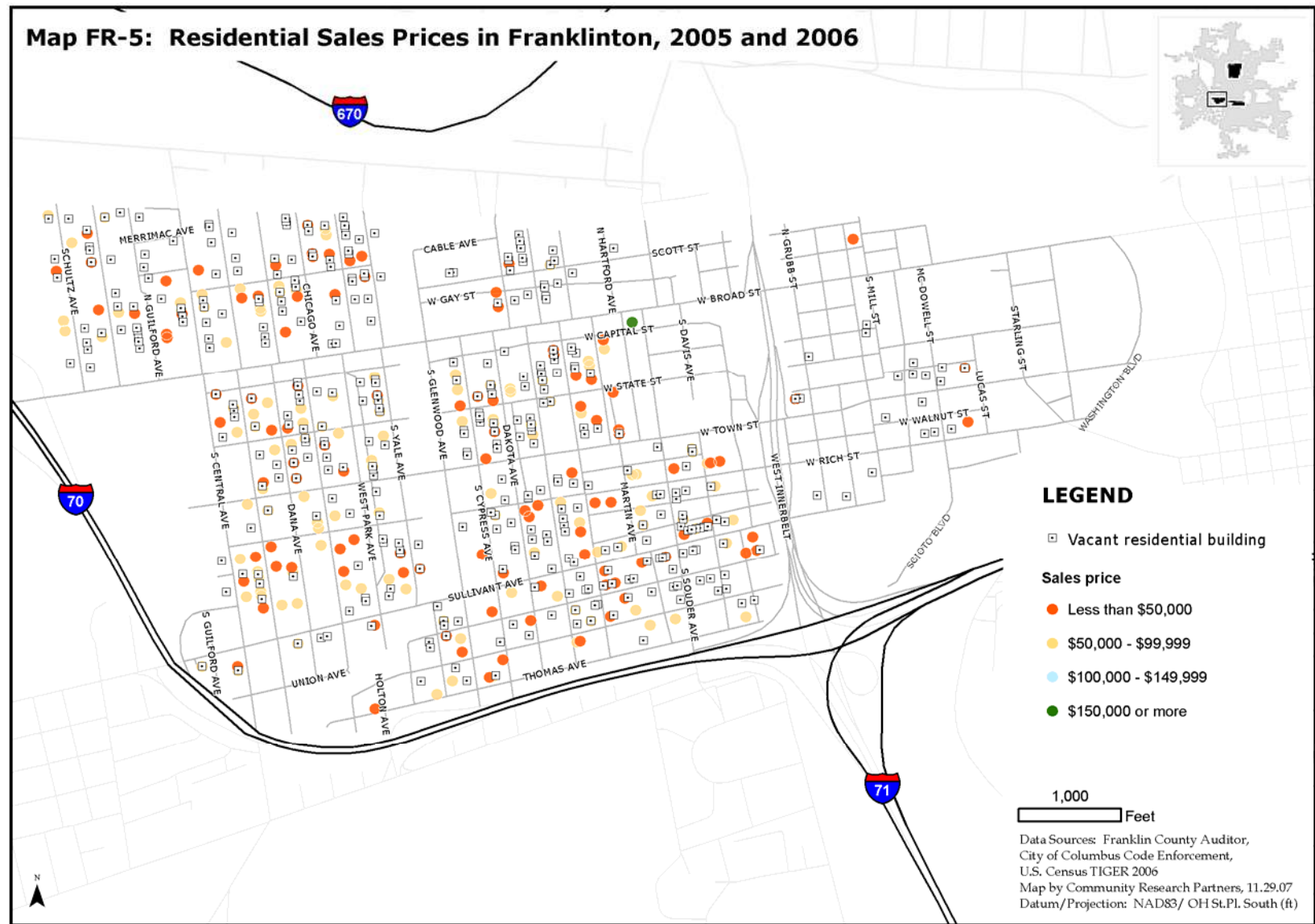
City of Columbus Code Enforcement, Franklin County Auditor; Census Bureau, 2006 Second Edition TIGER/Line® Files

(1) Properties sold in 2005 and 2006 were not necessarily the same properties that sold in 1999 and 2000









Livingston-Driving Park: mixed pattern

Vacant properties and assessed property value

In 2006, 90% of all occupied 1- to 3-unit properties in Livingston-Driving Park were located within 299 feet of a vacant residence, and 61% were located on a block with at least one vacant property. The following analysis of the data in Tables LD-3 and LD-4 and Maps LD-2, LD-3, and LD-4 describe patterns in median assessed property values and change in assessed values and proximity of occupied units to vacant residential properties in or near the neighborhood.

- **Distance from vacant residence.** Occupied properties in Livingston-Driving Park within 150 feet of a vacant residence had 2006 median assessed values that were \$5,600-14,200 less than the median for properties located farther from vacant residences. However, there was also a clear pattern of higher increases in assessed values from 2002 to 2006 for properties located *closer* to vacant residences.

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Table LD-3. Assessed Value of Occupied 1- to 3-unit Residential Properties by Distance to Vacant Residence, Livingston-Driving Park, 2006

	NUMBER OF PROPERTIES (N=3,279)		MEDIAN VALUE IN 2006	MEDIAN VALUE IN 2002	CHANGE IN MEDIAN VALUE 2002-2006
Within 149 feet of a vacant residence	2,159	66%	\$56,300	\$46,900	+20%
150-299 feet away	793	24%	\$61,900	\$54,300	+14%
300-449 feet away	230	7%	\$70,500	\$63,600	+11%
450+ feet away	97	3%	\$64,700	\$62,200	+4%

Source: City of Columbus Code Enforcement, Franklin County Auditor

- **On the same block with a vacant property.** In 2006, occupied properties with three or more vacant residences on their block had a median assessed value \$4,000-5,000 less than residences on blocks with no vacancies. From 2002-2006, the median assessed value increased somewhat *less* for properties on a block with no vacant residences, than for the other groups.

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Table LD-4. Assessed Value of Occupied 1- to 3-unit Residential Properties by Number of Vacant Residences on Block, Livingston-Driving Park, 2006

	NUMBER OF PROPERTIES (N=3,279)		MEDIAN VALUE IN 2006	MEDIAN VALUE IN 2002	CHANGE IN MEDIAN VALUE 2002-2006
On block with 3+ vacant residences	660	20%	\$54,600	\$45,650	+20%
On block with 1 or 2 vacant residences	1,351	41%	\$59,500	\$49,700	+20%
On block with no vacant residences	1,268	39%	\$60,700	\$52,600	+15%

Source: City of Columbus Code Enforcement, Franklin County Auditor, U.S. Census Bureau, 2006 Second Edition TIGER/Line® Files

Vacant properties and sales price

In 2005 and 2006, 95% of all residential properties sold in Livingston-Driving Park were located within 299 feet of a vacant residence. The following analysis of data in Tables LD-5 and LD-6 and Map LD-5 describe patterns in median sales price and change in sales price and proximity of sales to vacant residential properties in or near the neighborhood.

- **Distance from vacant residence.** In Livingston-Driving Park, there was little variation in sales price based on proximity to a vacant residence for properties sold in 2005-2006. However, between 1999-2000 and 2000-2006, median sales prices increased considerably with greater distance from a vacancy. There were too few properties located 450 feet or more from a vacant residence to include in this analysis.

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Table LD-5. Sales Price of 1- to 3-unit Occupied Residential Properties by Distance to Vacant Residence, Livingston-Driving Park ⁽¹⁾

	SALES, 2005 AND 2006 n=429		SALES, 1999 AND 2000 n=372		CHANGE IN MEDIAN PRICE, 99/00 TO 05/06
	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	
Within 149 feet of a vacant residence	304	\$82,000	270	\$65,000	+26%
150-299 feet away	104	\$81,250	71	\$58,600	+39%
300-449 feet away	17	\$79,900	25	\$56,000	+43%
450+ feet away	4	n/a	6	n/a	n/a

Source: City of Columbus Code Enforcement, Franklin County Auditor

(1) Properties sold in 2005 and 2006 were not necessarily the same properties that sold in 1999 and 2000

- **On the same block with a vacant property.** There was no discernable pattern in either median sales price or change in median sales price with regard to the presence of vacant residences on the same block.

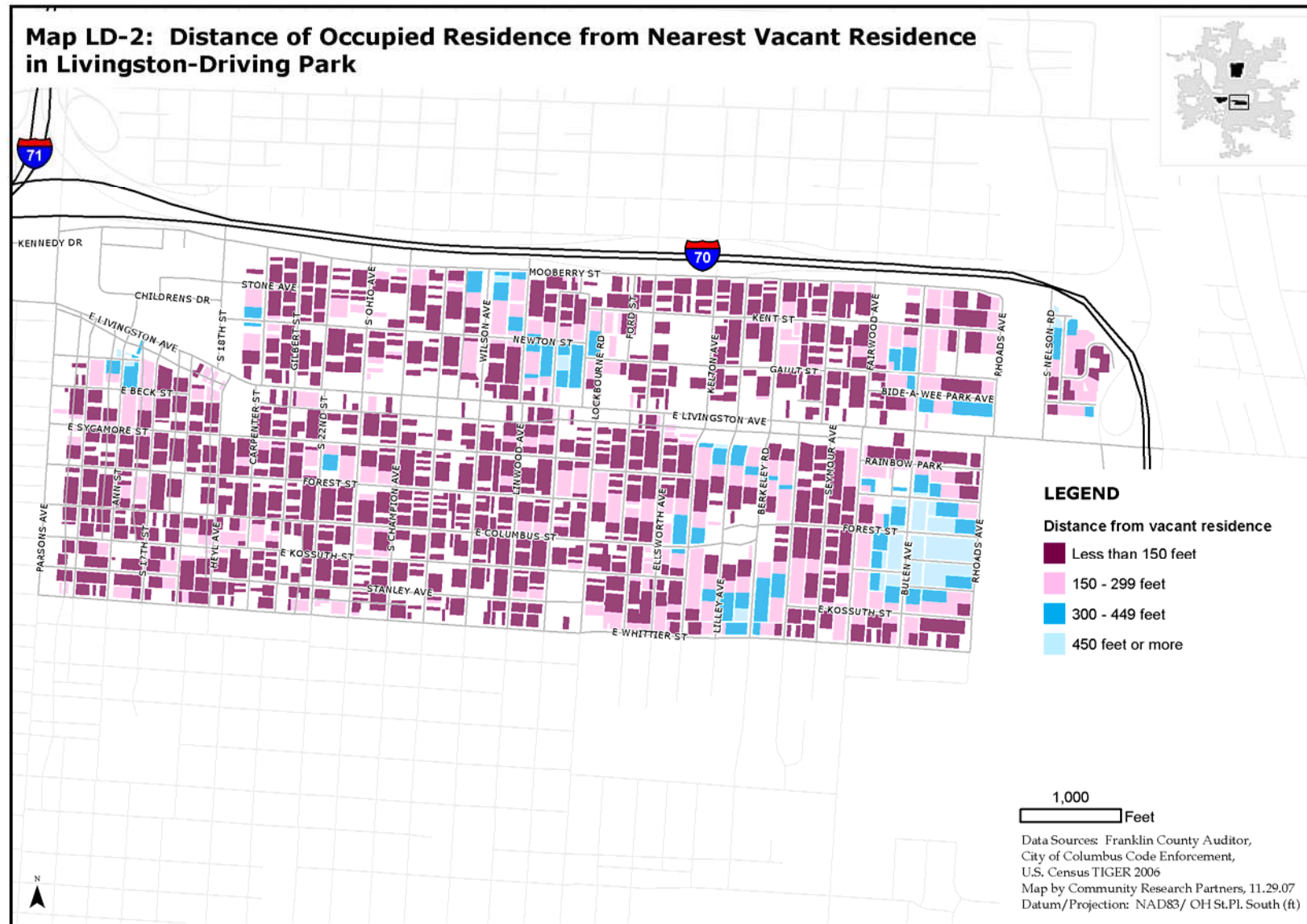
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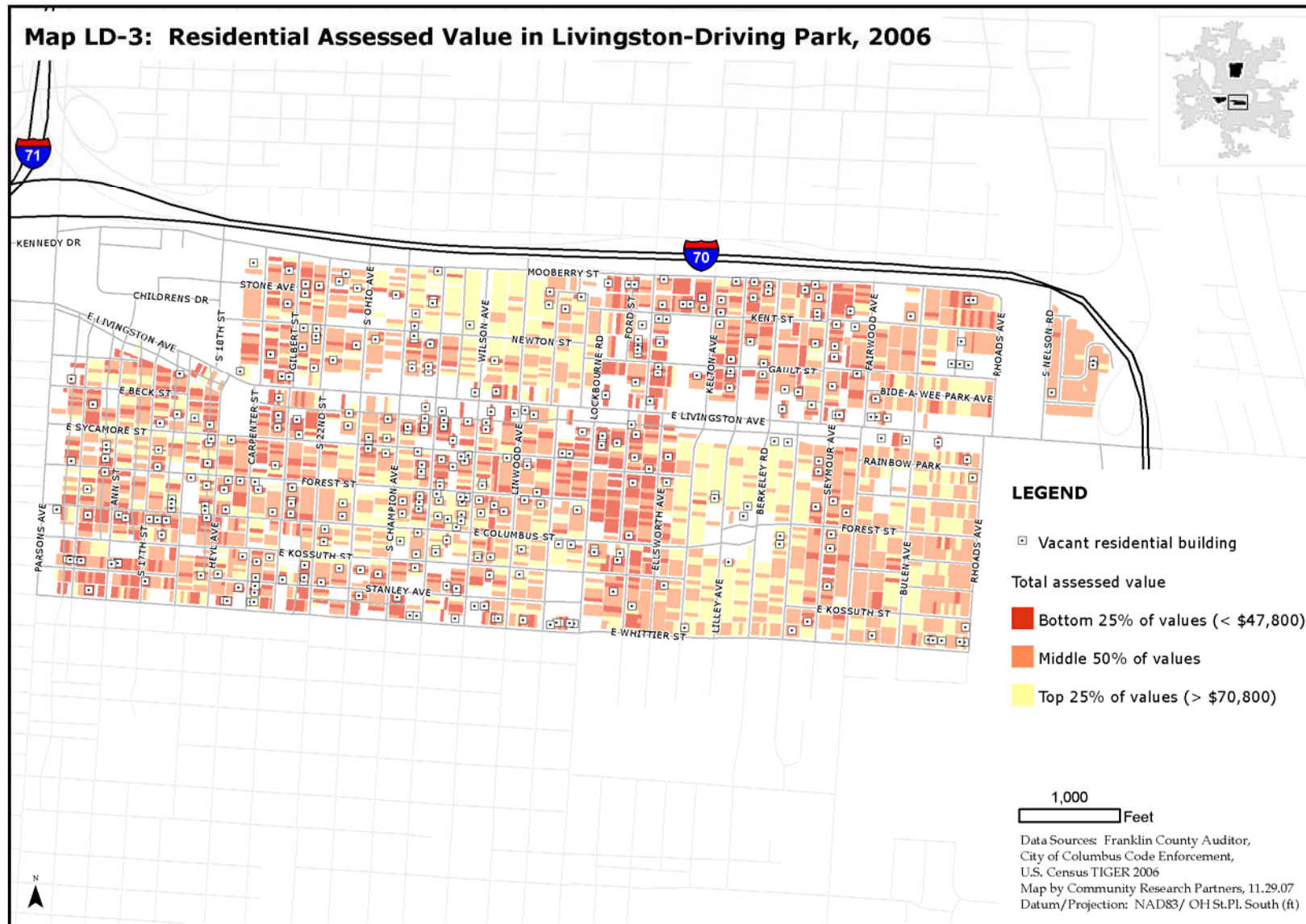
Table LD-6. Sales Price of 1- to 3-unit Occupied Residential Properties by Number of Vacant Residences on Block, Livingston-Driving Park ⁽¹⁾

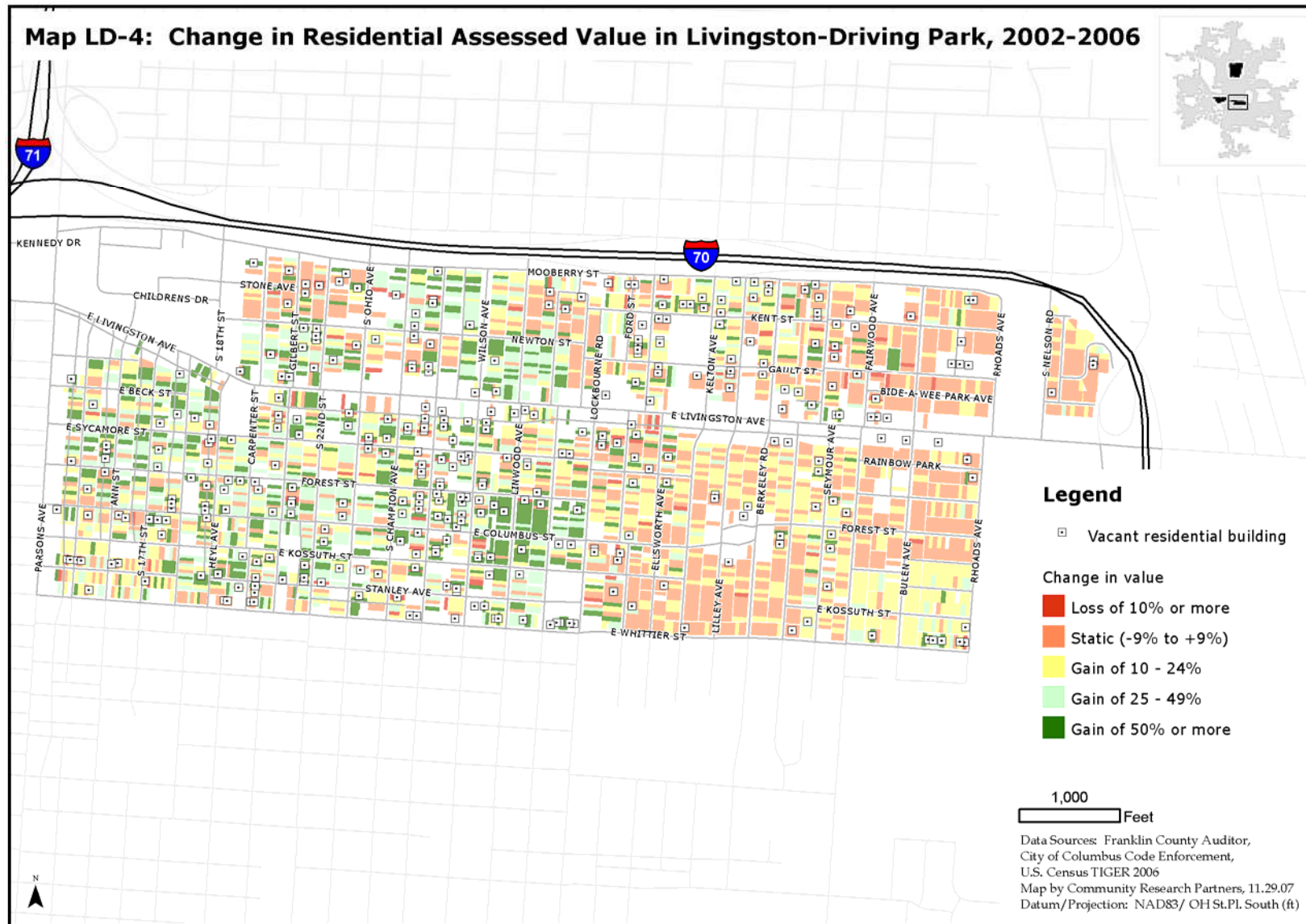
	SALES, 2005 AND 2006 n=429		SALES, 1999 AND 2000 n=372		CHANGE IN MEDIAN PRICE, 99/00 TO 05/06
	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	
On block with 3+ vacant residences	108	\$84,000	92	\$62,950	+33%
On block with 1 or 2 vacant residences	192	\$80,000	154	\$65,000	+23%
On block with no vacant residences	129	\$82,500	126	\$61,525	+34%

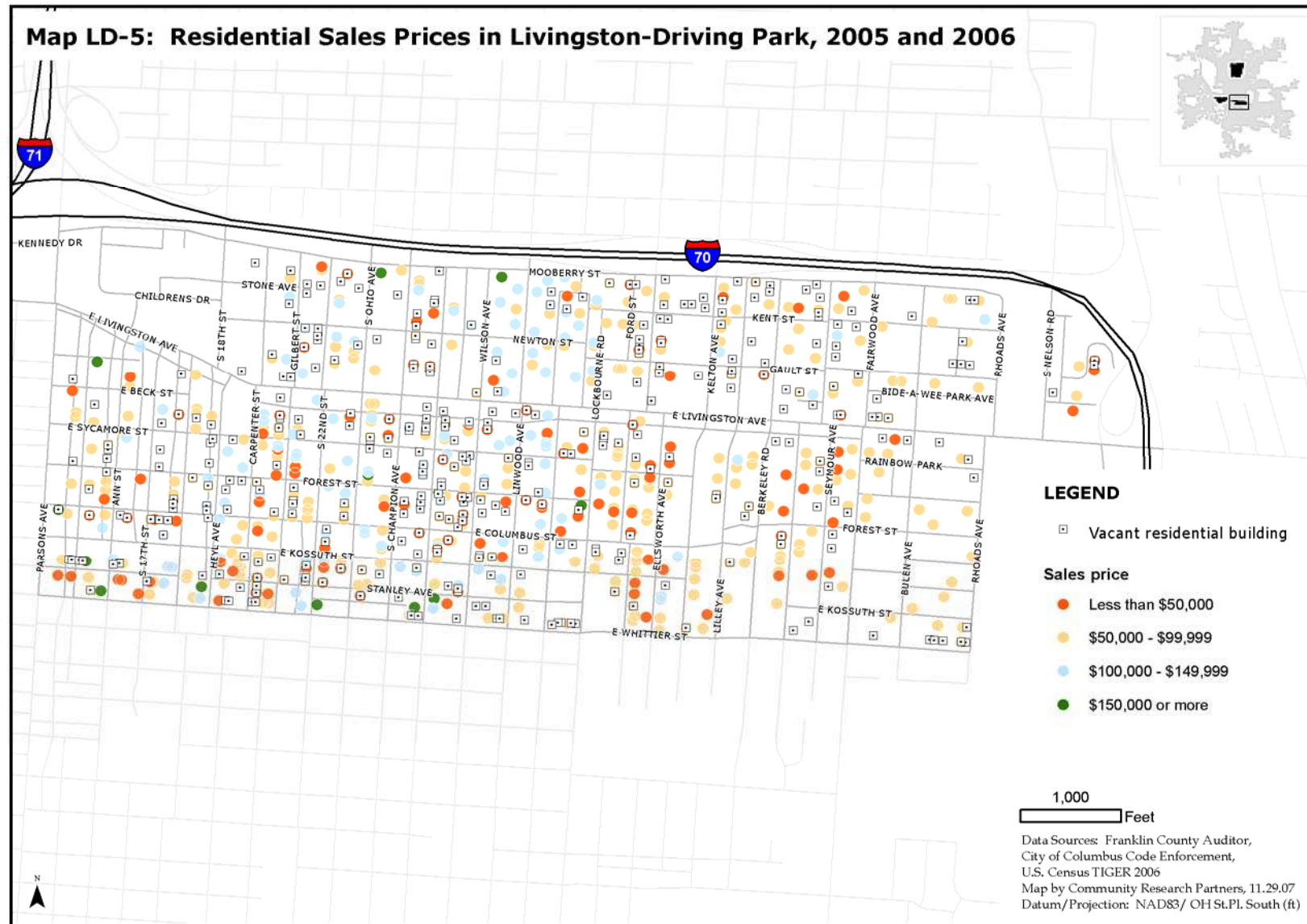
Source: City of Columbus Code Enforcement, Franklin County Auditor; Census Bureau, 2006 Second Edition TIGER/Line® Files

(1) Properties sold in 2005 and 2006 were not necessarily the same properties that sold in 1999 and 2000









North Linden: expected pattern

Vacant properties and assessed property value

In 2006, 53% of all occupied 1- to 3-unit properties in North Linden were located within 299 feet of a vacant residence, and 38% were located on a block with at least one vacant property. The following analysis of the data in Tables NL-3 and NL-4 and Maps NL-2, NL-3, and NL-4 describe patterns in median assessed property values and change in assessed values and proximity of occupied units to vacant residential properties in or near the neighborhood.

- **Distance from vacant residence.** In North Linden there is a clear pattern of increase in assessed property value with distance from a vacant property. Properties located 450 feet or more from a vacant residence had a 2006 median assessed value of \$26,600 more than properties within 150 feet of a vacancy, and \$13,000 more than those 150-299 feet from a vacancy. There was no discernable pattern in median value change from 2002 to 2006 based on distance from a vacancy.

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Table NL-3. Assessed Value of Occupied 1- to 3-unit Residential Properties by Distance to Vacant Residence, North Linden, 2006

	NUMBER OF PROPERTIES (N=9,135)		MEDIAN VALUE IN 2006	MEDIAN VALUE IN 2002	CHANGE IN MEDIAN VALUE 2002-2006
Within 149 feet of a vacant residence	2,856	31%	\$63,200	\$55,700	+13%
150-299 feet away	2,032	22%	\$72,850	\$64,700	+13%
300-449 feet away	1,253	14%	\$83,800	\$73,400	+14%
450+ feet away	2,994	33%	\$89,800	\$79,100	+14%

Source: City of Columbus Code Enforcement, Franklin County Auditor

- **On the same block with a vacant property.** The 2006 median assessed value for occupied properties with no vacant residences on their block was substantially higher than the median for properties sharing their block with 1-2 vacant residences (\$19,500 difference) or with 3 or more vacancies (\$27,600 difference). Between 2002 and 2006, the median assessed value increased somewhat more for properties with three or more vacancies on the block than for the other groups.

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Table NL-4. Assessed Value of Occupied 1- to 3-unit Residential Properties by Number of Vacant Residences on Block, North Linden, 2006

	NUMBER OF PROPERTIES (N=9,135)		MEDIAN VALUE IN 2006	MEDIAN VALUE IN 2002	CHANGE IN MEDIAN VALUE 2002-2006
On block with 3+ vacant residences	1,004	11%	\$58,900	\$50,500	+17%
On block with 1 or 2 vacant residences	2,447	27%	\$67,000	\$59,100	+13%
On block with no vacant residences	5,684	62%	\$86,500	\$76,000	+14%

Source: City of Columbus Code Enforcement, Franklin County Auditor; U.S. Census Bureau, 2006 Second Edition TIGER/Line® Files

Vacant properties and sales price

In 2005 and 2006, 55% of all residential properties sold in North Linden were located within 299 feet of a vacant residence. The following analysis of data in Tables NL-5 and NL-6 and Map NL-5 describe patterns in median sales price and change in sales price and proximity of sales to vacant residential properties in or near the neighborhood.

- **Distance from vacant residence.** Median sales price for homes sold in 2005 and 2006 increased considerably in North Linden with distance from the nearest vacant residence. The median for sales 450 feet or more from a vacancy was \$22,000 higher than the median for sales within 150 feet of a vacancy and \$17,000 more than for those within 150-299 feet of a vacancy. There was no discernable trend in median price change from 2002 to 2006 based on proximity to a vacancy.

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Table NL-5. Sales Price of 1- to 3-unit Occupied Residential Properties by Distance to Vacant Residence, North Linden (1)

	SALES, 2005 AND 2006 n=872		SALES, 1999 AND 2000 n=998		CHANGE IN MEDIAN, 99/00 TO 05/06
	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	
Within 149 feet of a vacant residence	279	\$70,000	312	\$58,950	+19%
150-299 feet away	203	\$75,000	245	\$68,000	+10%
300-449 feet away	137	\$89,500	127	\$70,000	+28%
450+ feet away	253	\$92,000	314	\$77,000	+19%

Source: City of Columbus Code Enforcement, Franklin County Auditor

(1) Properties sold in 2005 and 2006 were not necessarily the same properties that sold in 1999 and 2000

- **On the same block with a vacant property.** There was a clear pattern in North Linden with regard to median sales price in 2005 and 2006 and the number of vacancies on a block. The median price for sales on a block with no vacancies was \$26,000 more than the median price for those on a block with three or more vacant residences. The increase in median sales price between 1999-2000 and 2005-2006 for properties on a block with three or more vacant residences (11%) was about half that of properties on a block with fewer or no vacant residences (21-24%).

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Table NL-6. Sales Price of 1- to 3-unit Occupied Residential Properties by Number of Vacant Residences on Block, North Linden (1)

	SALES, 2005 AND 2006 n=872		SALES, 1999 AND 2000 n=998		CHANGE IN MEDIAN, 99/00 TO 05/06
	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	
On block with 3+ vacant residences	115	\$63,500	118	\$57,250	+11%
On block with 1 or 2 vacant residences	227	\$74,500	265	\$60,000	+24%
On block with no vacant residences	530	\$87,950	615	\$72,500	+21%

Source: City of Columbus Code Enforcement, Franklin County Auditor, Census Bureau, 2006 Second Edition
TIGER/Line® Files

(1) Properties sold in 2005 and 2006 were not necessarily the same properties that sold in 1999 and 2000

North Linden: Analysis of area north of Oakland Park

The northern half of the North Linden neighborhood provides an analysis opportunity not present in any of the other five neighborhoods selected for this study: a large residential area with few vacancies that are spread quite far apart (see distinctive patterns on Map NL-2). A separate analysis of the area north of Oakland Park Avenue was undertaken to see if a different pattern of assessed value and sales price exists in an area not yet saturated with vacancies. This sub-area analysis shows a smaller range of property values and sales prices based on proximity to vacancies than is the case in the analysis of the larger neighborhood. There is even some evidence of property flipping, with large sales price increases for properties sold in closest to vacant properties.

- Assessed value by distance from vacant residence.** There was a subtle but consistent increase in 2005 median assessed values for properties north of Oakland Park Avenue as distance from vacancy increased. Occupied properties more than 450 feet from a vacant residence were assessed at \$7,200 more than properties within 150 feet. There was no discernable pattern in value change from 2002 to 2005.

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Table NL-7. Assessed Value of Occupied 1- to 3-unit Residential Properties by Distance to Vacant Residence, North Linden (north of Oakland Park Avenue), 2006

	NUMBER OF PROPERTIES (N=9,135)		MEDIAN VALUE IN 2006	MEDIAN VALUE IN 2002	CHANGE IN MEDIAN VALUE 2002-2006
Within 149 feet of a vacant residence	313	9%	\$84,800	\$72,400	+17%
150-299 feet away	445	13%	\$87,700	\$76,900	+14%
300-449 feet away	509	15%	\$89,200	\$79,300	+12%
450+ feet away	2183	63%	\$92,000	\$80,300	+15%

Source: City of Columbus Code Enforcement, Franklin County Auditor

- Sales price by distance from vacant residence.** The 2005-2006 median sales prices for properties less than 300 feet of a vacant residence were somewhat lower than the medians for properties farther from a vacant residence. Surprisingly, by far the largest increase in median sales price from 1999-2000 to 2005-2006, were for properties sold closest to a vacancy (149 feet or less). The percentage point increase in median price for this group was twice that for properties farther from a vacancy.

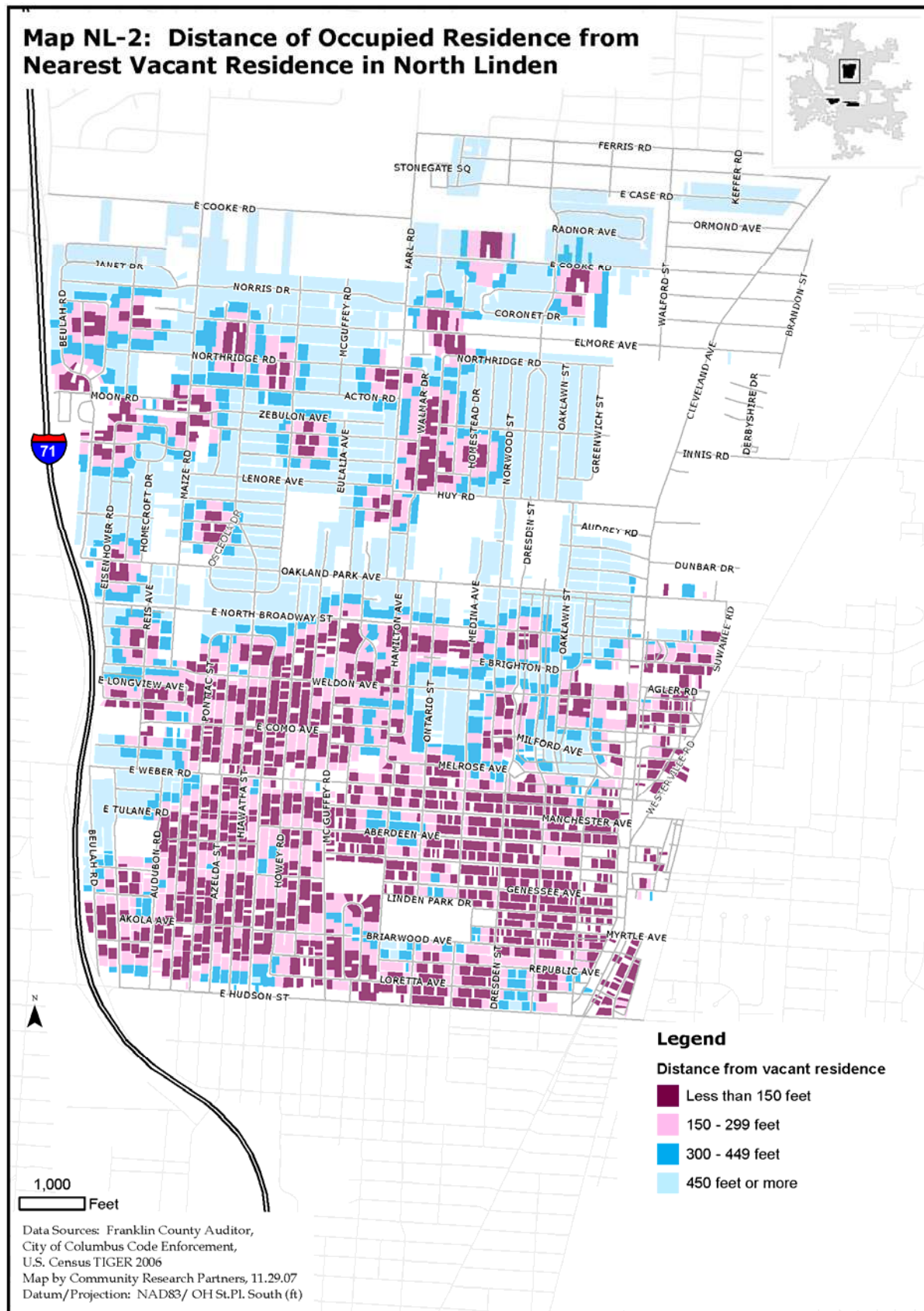
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Table NL-8. Sales Price of 1- to 3-unit Occupied Residential Properties by Distance to Vacant Residence, North Linden (north of Oakland Park Avenue) (1)

	SALES, 2005 AND 2006 n=872		SALES, 1999 AND 2000 n=998		CHANGE IN MEDIAN, 99/00 TO 05/06
	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	NUMBER OF PROPERTIES SOLD	MEDIAN SALES PRICE	
Within 149 feet of a vacant residence	31	\$87,400	31	\$61,250	+43%
150-299 feet away	43	\$84,900	56	\$71,500	+19%
300-449 feet away	57	\$90,000	62	\$73,700	+22%
450+ feet away	173	\$92,900	236	\$78,600	+18%

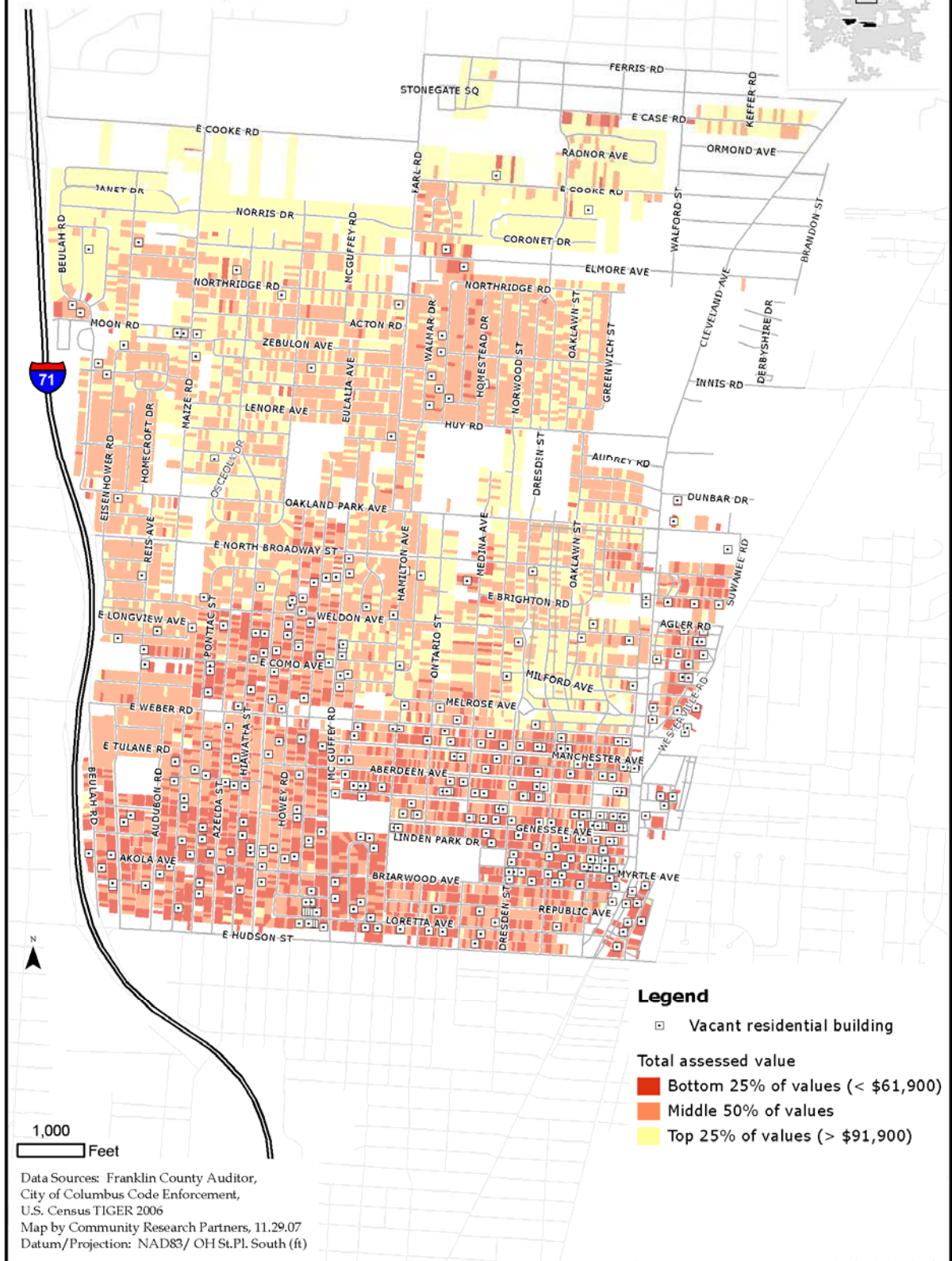
Source: City of Columbus Code Enforcement, Franklin County Auditor

(1) Properties sold in 2005 and 2006 were not necessarily the same properties that sold in 1999 and 2000

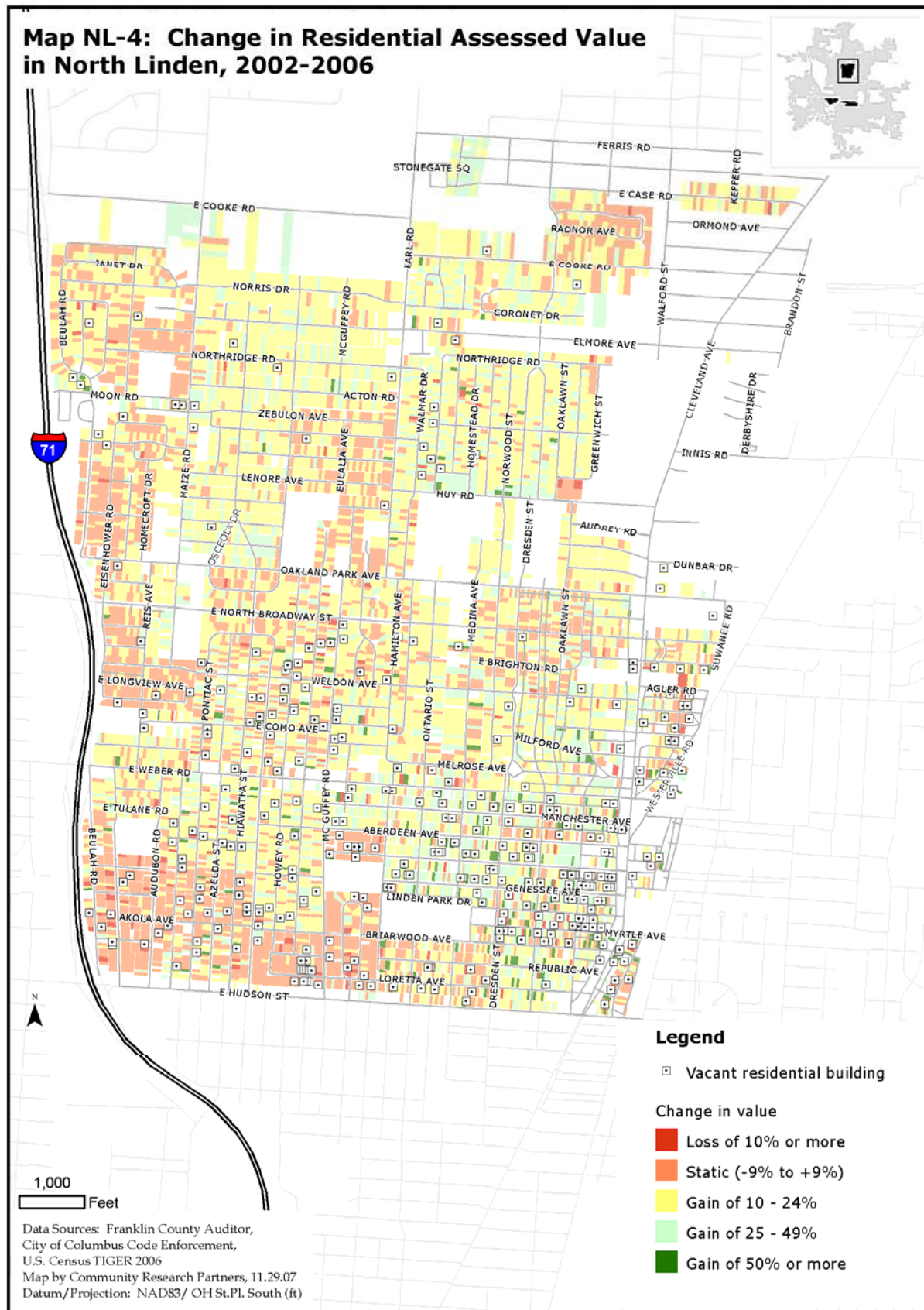
Map NL-2: Distance of Occupied Residence from Nearest Vacant Residence in North Linden



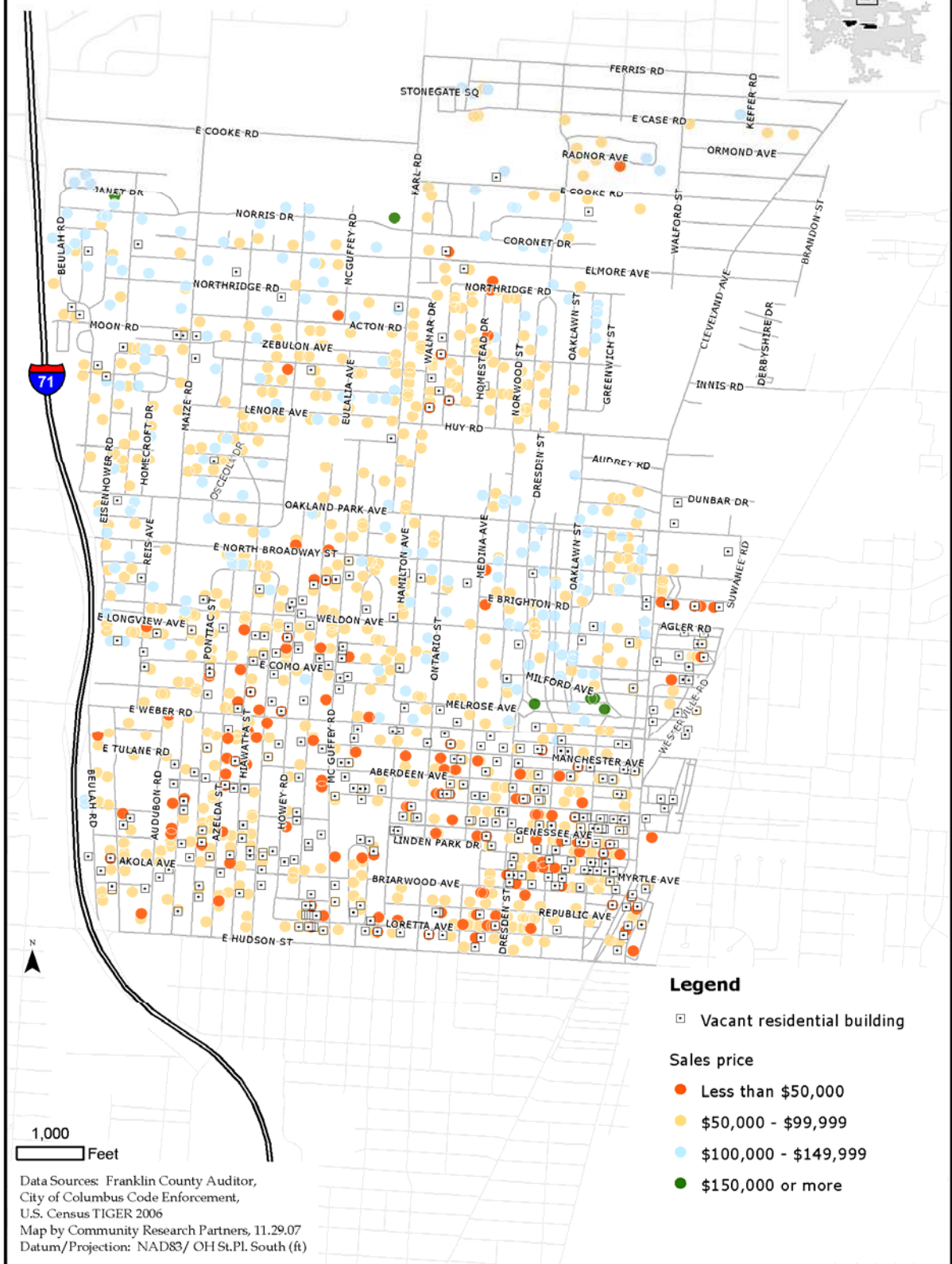
Map NL-3: Residential Assessed Value in North Linden, 2006



Map NL-4: Change in Residential Assessed Value in North Linden, 2002-2006



Map NL-5: Residential Sales Prices in North Linden, 2005 and 2006



5.02e. Perspectives on Vacant and Abandoned Properties in Columbus

In the process of collecting and analyzing quantitative data on the incidence of and costs associated with vacant and abandoned properties in Columbus, CRP staff met and communicated via telephone and email with: Mike Farrenkopf, City of Columbus Code Enforcement Manager; John Cross, City of Columbus Code Enforcement Management Analyst; Donna Hunter, Administrator, Columbus Land Redevelopment Office, and Steve Farrell, United Way of Central Ohio Public Policy Director.

The following summary reflects the perspectives of these local officials and stakeholders, shared informally with CRP staff, as well as observations of CRP staff, about how Columbus is addressing vacant and abandoned properties, the causes of vacancy and abandonment, and its impact on the community.

Addressing vacant and abandoned properties

A comprehensive and ongoing city tracking system

In 2006, Columbus's Code Enforcement Unit, which is housed within the city's Department of Development, Division of Neighborhood Services, conducted a survey to document the location of vacant and abandoned properties throughout the city. All data were entered into a newly created database, designed specifically for the project and Code Enforcement continues to add and delete records from the vacant property inventory as routine and follow-up property inspections are conducted, and as new structures fall into abandonment and others are repaired or demolished.

A top priority of city leaders

In February 2006 the city launched the Home Again program, a five-prong, inter-departmental approach to combating vacant and abandoned properties in Columbus. The city has committed \$25 million over six years with a stated goal of putting 1,000 properties back to productive use by 2012. The five components of the Home Again program are enforcement, prevention, acquisition, rehabilitation, and demolition. Key to the Home Again approach is cooperation among the City Attorney's Office, Code Enforcement, and the Police Department to identify vacant properties, expedite the process by which they are declared public nuisances, expedite the foreclosure process, and reduce crime, arson, and other criminal activity at vacant properties.

Impacting public policy

United Way of Central Ohio has chosen the issue of vacant and abandoned property as a priority public policy issue. Through its Public Policy Committee, United Way is supporting policies that change laws, building codes, and administrative procedures that make it easier to acquire and put back into use vacant and abandoned housing stock. This may include required recordation of deeds; land bank reform; super priority liens; increasing costs of owning vacant properties; and tax lien sale reform.

Foreclosure prevention

Columbus Housing Partnership offers free workshops and counseling on the default and foreclosure process for persons in central Ohio needing assistance in completing a workout with their lender. Loan funds are also available, through the Ohio Rescue Fund, to pay up to three months, up to \$5,000, in mortgage payments. CHP also offers homebuyer education classes for prospective new homebuyers.

Impacts of vacant and abandoned properties

Citywide and neighborhood impacts

Vacant properties in Columbus are generally perceived to have multiple impacts on the city at large. Within city government, abandoned and neglected homes are perceived to be eye-sores and magnets for crime and vandalism within neighborhoods. The Home Again program was founded on the belief that “one vacant house is one vacant house too many” and that vacant and abandoned properties pose “a very real problem to every family living next door to an abandoned house.” For the City of Columbus, increasing numbers of vacant and abandoned properties can hinder the city’s neighborhood revitalization strategies, including the Neighborhood Pride program and investments in housing development and infrastructure improvements.

Appendix A



Sources

Data Sources

County, state, and federal government agencies

Allen County Auditor, 2006 property data files

Clark County Auditor, 2006 property data files

Cuyahoga County Auditor, 2006 property data files (provided by the Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State University)

Franklin County Auditor, 2006 property data files

Lawrence County Auditor, 2006 property data files

Lucas County Auditor, 2006 property data files

Montgomery County Auditor, 2006 property data files

Muskingum County Auditor, 2006 property data files

Neighborhood Change Database 1970-2000 Tract Data, GeoLytics, Inc., East Brunswick, NJ, 2003

Ohio Department of Commerce, Division of State Fire Marshal, fire incidents 2006-2007

Ohio Department of Development, Office of Strategic Research, Ohio County Indicators (June 2007).

Ohio Department of Development, Office of Strategic Research, 2006 Population Estimates for Cities, Villages & Townships

Ohio Department of Taxation, real property taxable value and delinquent property taxes

Policy Matters Ohio, Foreclosure Growth in Ohio 2007. Zach Schiller, author.

U.S. Census Bureau, Annual Population Estimates

U.S. Census Bureau, 2006 American Community Survey

U.S. Census Bureau, 2006 Second Edition TIGER/Line® Files

U.S. Census Bureau, Decennial Census 1970-2000, Summary Files 1 and 3

U.S. Department of Housing and Urban Development and United States Postal Service, “vacant” and “no stat” addresses

U.S. Department of Housing and Urban Development and The Urban Institute, mortgages through subprime lenders (2005 Home Mortgage Disclosure Act)

Local government agencies and neighborhood organizations

Data sets

Cleveland:

Center for Housing Research and Policy, Maxine Goodman Levin College of Urban Affairs, Cleveland State University: Cuyahoga County Auditor property data files; land bank data

Department of Community Development: code enforcement database records

Department of Parks, Recreation, and Properties: vacant property maintenance costs data

Detroit Shoreway Community Development Corporation: 2007 vacant property database

Mount Pleasant Community Development Corporation: 2007 vacant property database

Slavic Village Community Development Corporation: 2007 vacant property database

Columbus:

Department of Development, Neighborhood Services Division, Code Enforcement Unit: 2007 vacant property database; code enforcement database records

Department of Development. Land Redevelopment Office: land bank data

Dayton:

Department of Building Services, Housing Inspection Division: 2007 Blue Book; vacant structure inventory; code enforcement database records

Department of Public Works, Vacant Land Management Office: mowing and trash records

Police Department: police service calls to known vacant addresses

Ironton:

Building Department: code enforcement database records

Health Department: weeds and trash nuisance complaint assessments

Springfield:

Department of Engineering and Planning, Code Enforcement Division: code enforcement database records

Department of Finance, Utility Billing and Revenue Collection Division: nuisance property civil fine revenue

Police Department: police service calls to potential vacant addresses

Toledo:

Department of Neighborhoods, Division of Code Enforcement: code enforcement database records

Zanesville:

Department of Public Safety, Building and Code Enforcement Division: code enforcement database records

Department of Public Safety, Litter Prevention and Recycling Enforcement Division: mowing and boarding data

Police Department: police service calls to potential vacant addresses

Lima:

Department of Community Development, Property Maintenance Code Enforcement Division: code enforcement database records

Department of Public Works, Building and Zoning Division: demolition records

Police Department: police service calls to potential vacant addresses

Staff sources

Cleveland:

Nelson Beckford, Detroit Shoreway CDC

Anthony Brancatelli, Councilman, Ward 12 (Slavic Village)

James Greene, Manager - Cartography, GIS, Data Analysis

Hugh Kidd, Mount Pleasant NOW

Marie Kittridge, Executive Director, Slavic Village CDC

Matt Lasko, Detroit Shoreway CDC

Stacy Pugh, Housing Director, Slavic Village CDC

Jeff Ramsey, Executive Director, Detroit Shoreway CDC

Tom Stone, Executive Director, Mount Pleasant NOW

Clifton Turner, Mount Pleasant NOW

John Wilbur, Assistant Director Department of Community Development

Columbus:

John Cross, Code Enforcement Management Analyst

Mike Farrenkopf, Code Enforcement Manager

Dayton:

John Baker, Housing Inspection Manager (former)

John Carter, Housing Inspector

Mike Dugan, Acting Housing Inspection Manager (current)

Ironton:

Cindy Anderson, Director of the Ironton/Lawrence County Area Community Action Organization

Karl Wentz, Building and Code Enforcement Officer

Lima:

Amy Sackman Odum, Department of Community Development Director

Springfield:

Joshua Harmon, Code Enforcement Manager (current)

Nick Heimlich, Assistant Fire Chief

Daryl Weber, Code Enforcement Manager (former)

Toledo:

Larry Anderson, Department of Neighborhoods

Michael Badik, Commissioner – Housing Program/Administration

Thomas Kroma, Department of Neighborhoods Director (former)

Zanesville:

Meg Deedrick, Community Development Director

Cheryl Sebring, Housing Planner

Tim Smith, Chief Code Enforcement Officer

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Appendix B



Toledo Overview

Overview of Vacant and Abandoned Properties in Toledo

Sufficient data on Toledo's vacant and abandoned properties were not available within the project timeframe to prepare a detailed Toledo city assessment for the body of the report. City staff did, however, provide information about the city's "Dirty Dozen" and "Worst to First" code enforcement programs, as well as some cost data for city nuisance abatement activities. The following is a summary of the information provided to CRP.

Vacant and abandoned buildings

City of Toledo method for tracking vacant and abandoned buildings

Responsibility for tracking and addressing vacant and abandoned properties in Toledo resides within the Code Enforcement Division of the city's Department of Neighborhoods. Code Enforcement Inspectors work in ten geographically defined code enforcement areas, and each is responsible for enforcing housing, nuisance, and zoning codes. Primarily, inspectors become aware of problem properties through complaints. Calls come into the division through the city's "Call City Hall" hotline. Upon receipt of a complaint, inspectors complete an investigation and issue orders to property owners to bring the property into compliance. The division uses a Microsoft Access-based database called Permits Plus to enter and track properties for which a complaint has been made and a follow-up investigation conducted.

Dirty Dozen and Worst to First

In Toledo, there are two programs that target concentrated enforcement efforts on properties that have been identified, through a history of maintenance violations and noncompliance with abatement orders, as particularly troublesome. These are the "Dirty Dozen" and "Worst to First" enforcement programs.

The Dirty Dozen program annually coordinates the efforts of Code Enforcement and the departments of Health, Fire, and Law to aggressively and continuously pursue the owners of the 12 worst (primarily) commercial properties in the city (although there are typically more than 12 properties on the list in any given year). Because each is considered to be an immediate risk to the health, safety, and welfare of the citizens of Toledo, enforcement efforts focus on obtaining a final resolution to the property, either through rehabilitation or demolition.

In 2007, there were 15 properties included on the Dirty Dozen list. From 2006 to 2007, an additional 17 properties were resolved, via compliance (five to seven properties) and demolition (10 properties).

The Worst to First program is similar to the Dirty Dozen program, except that it primarily targets residential properties. As of November 2007, there were 78 properties included on the Worst to First list. Of these, 9 were noted by city code enforcement inspectors as being occupied, and 28 were demolished in 2007. The remaining 41 properties are in various stages of enforcement, with some being actively repaired or rehabbed, others in court or awaiting appeals, and others awaiting demolition.

Estimated incidence based on available data

To derive an address-level inventory of vacant and abandoned properties in Toledo, CRP requested that code enforcement staff query the Permits Plus database and identify properties that are currently nuisance properties and likely to be vacant and abandoned (properties that are currently boarded or condemned, for example). This request was not met within the project timeline, however. In the absence of these data, CRP derived a rough (and likely undercounted) estimate of incidence based on three data sources: the “Dirty Dozen” and “Worst to First” targeted enforcement programs, and a 2006 dataset of boarded buildings.

Code enforcement staff provided CRP with the addresses of 555 buildings that had been boarded in 2006. CRP cross-matched these addresses, together with the Dirty Dozen and Worst to First addresses, against demolition datasets from 2006 and 2007 to eliminate properties known to have already been demolished. In total, CRP identified 427-potentially vacant and abandoned buildings. Of these, 382 were boarded in 2006, 31 (unduplicated addresses) were on the city’s Worst to First list, and 14 were on the Dirty Dozen list.

Vacant land

Data provided by Toledo’s Division of Code Enforcement was used to document the number of abandoned lots in the city for which the city incurs ongoing service costs. City Code Enforcement records included 877 lots for which the city assumed responsibility for mowing and maintaining in 2007. Nearly all of these lots are city-owned and available for purchase through the city’s Division of Real Estate.

Local government costs of vacant properties

Code Enforcement operating costs

In 2006, Toledo’s Division of Code Enforcement was staffed by 23 full-time employees, including six supervisory positions, nine general inspectors, and eight administrative/support positions. Total salaries (with benefits) for the staff in 2006 totaled \$952,975. The total operating budget for the Division of Code Enforcement Division in 2006 (excluding salaries) was approximately \$1,553,000, which includes demolition costs (in Toledo, approximately 90% of demolitions are conducted in-house). Backing out demolition, the operating budget for the division in 2006 was about \$954,000¹.

CRP was not able to obtain an estimate from staff within the Division of Code Enforcement regarding what percent of staff time and operating expenses are directed toward addressing vacant and abandoned properties specifically.

Boarding costs

CRP asked Toledo Code Enforcement staff to provide address and cost data related to the number of properties boarded at city expense in calendar 2006, and also to estimate the percent or average dollar amount of boarding costs typically recouped from property owners annually. In a written response, staff indicated that 850 properties were boarded,

¹ Includes \$427,000 for seasonal and intern employment. It was not immediately clear to CRP whether this is a salary expense, or some other kind of operating expense.

and that the total dollar amount recouped was \$45,126. The dataset that accompanied this response listed the addresses of only 555 buildings, rather than 850. CRP sought clarification on this, as well as city dollars expended versus those recouped, but was not able to obtain it.

Demolition costs

In recent years, Toledo's Division of Code Enforcement has actively pursued demolition as a means of addressing public nuisance and vacant and abandoned property. In 2007, the city reached its goal of demolishing 300 nuisance properties. On average, the city demolishes between 250 and 300 buildings per year, and does not appear to have a backlog of pending demolition priorities.

In its written response to CRP's data request, Toledo Code Enforcement reported that in 2006, the city demolished a total of 221 buildings for a total of \$2,390,140. The response indicated that demolitions are funded through a combination of city and property owner moneys, but staff did not provide clarification beyond this. The estimated amount of demolition costs recouped in 2006 was \$32,946.

Property maintenance costs: grass mowing and trash removal

As of November 2007, code enforcement's written response to CRP's data request indicated that the City of Toledo owns and maintains 877 vacant parcels that are available for purchase through the city's Division of Real Estate. In 2007, the city paid a total of \$273,985 in contractor and employee costs to mow these lots. In 2006, the city spent approximately \$450,000 to clean up garbage and debris from vacant properties (which numbered 834 parcels as of December 2006).

With respect to vacant and abandoned properties (with or without structures) that are not owned by the city, Toledo's Notice of Liability (NOL) program authorizes code enforcement inspectors to photograph and issue a civil liability ticket for properties determined to be a public nuisance. A property can be declared a public nuisance for being unsecured, for tall grass and weeds, junk, debris, trash and litter on a property, and for vehicles parked on the grass or without proper licensing. The first ticket carries a fine of \$75.00. The second ticket (within two years) carries a fine of \$150.00, and a third ticket and any subsequent ticket for the same property (for a two-year period of time) carry a fine of \$300.00. The issuance of an NOL ticket can be appealed by posting a \$50 bond and scheduling a personal appearance before Toledo's Nuisance Abatement Hearing Board of Appeals.

In 2006, code enforcement records indicate that \$129,312 in revenue was collected through the issuance of NOL fines.

Appendix C



Quick Resales in Cleveland and Columbus Neighborhoods

Quick Resales of Residential Properties in Cleveland and Columbus Neighborhoods

In portions of the Cleveland and Columbus study neighborhoods where vacant and abandoned property concentrations are high, patterns of housing values were sometimes the opposite of what would be expected—properties in closest proximity to vacancies experienced greater increases in assessed value and sales price than those farther away. Possible contributors to this phenomenon are property flipping and unscrupulous real estate practices.

In Cleveland, neighborhoods with large numbers of vacant and abandoned properties are known targets of investors who seek to make a quick resale and large profit by undertaking superficial improvements, marketing to remote buyers, and/or misrepresenting the property through underhanded seller-appraiser collaborations. This can also be an issue in smaller cities, as was noted by Zanesville officials.

A recent article in *The Columbus Dispatch* about national companies selling foreclosed properties to out-of-state purchasers describes this phenomenon. Two foreclosed homes in the South Linden area of Columbus were purchased in May 2006 by Mid-State Homes in Sunbury, Ohio, for \$29,000 and \$35,000 and one month later were resold to an unsuspecting buyer in the Seattle area for \$54,000 and \$59,000 (*Columbus Dispatch*, January 7, 2007).

A series of articles in *The Plain Dealer* that appeared in August 2000 describe the same kind of activity. In that series, records from real estate transactions conducted by one investor in particular, Raymond A. Delacruz, were tracked. Several vacant, boarded, dilapidated homes in the Slavic Village neighborhood were bought and then resold by Delacruz, at times only weeks apart, for profits ranging from 300% to over 500%. Raymond Delacruz subsequently pled guilty in federal district court to 12 counts of engaging in fraudulent real estate transaction indictments, including three bank fraud offenses, seven mail fraud charges, and two money laundering offenses.

The scope of CRP's study did not include an investigation of the incidence of property flipping in the selected neighborhoods. However, as part of the analysis of county auditor data on property sales in Cleveland and Columbus neighborhoods, CRP also prepared tables and maps with information on "quick sales" in these neighborhoods. A quick sale was defined as a single property with multiple ownership transfers within a period of less than one year during the period 2004-2006.

The tables and maps include all transaction types—warranty deed sales, quit claims, sheriff's sales—as long as a dollar value was associated with the transaction. The data include change in sales price between the two transactions, in combination with the duration the property was held (less than 90 days, between 90 and 364 days).

There are many ways that the data in this appendix can be interpreted. It may, in fact, provide evidence of property flipping, but may also include normal real estate transactions. However, further research is required to determine the extent to which these are represented in the data.

Residential Property Transfers Occurring Fewer than 365 Days Apart by Sales Price Change, 2004-2006, Cleveland Neighborhoods

Detroit Shoreway

	FEWER THAN 90 DAYS	BETWEEN 90 AND 364 DAYS
Properties with two transactions (1)	30	68
Loss in sale price (i.e. below prior sale price)	9	32
Price gain of 1-24%	4	6
Price gain of 25-49%	3	8
Price gain of 50-99%	3	2
Price gain of 100-199%	6	11
Price gain of 200% or more	5	9

(1) The two most recent transactions of any type, where the price is known, among (occupied or vacant) single family and 2 to 3-unit residential properties

Mount Pleasant

	FEWER THAN 90 DAYS	BETWEEN 90 AND 364 DAYS
Properties with two transactions (1)	93	190
Loss in sale price (i.e. below prior sale price)	21	45
Price gain of 1-24%	5	14
Price gain of 25-49%	5	3
Price gain of 50-99%	3	7
Price gain of 100-199%	23	54
Price gain of 200% or more	36	67

(1) The two most recent transactions of any type, where the price is known, among (occupied or vacant) single family and 2 to 3-unit residential properties

Slavic Village

	FEWER THAN 90 DAYS	BETWEEN 90 AND 364 DAYS
Properties with two transactions (1)	133	256
Loss in sale price (i.e. below prior sale price)	33	80
Price gain of 1-24%	6	11
Price gain of 25-49%	9	6
Price gain of 50-99%	10	11
Price gain of 100-199%	32	55
Price gain of 200% or more	43	93

(1) The two most recent transactions of any type, where the price is known, among (occupied or vacant) single family and 2 to 3-unit residential properties

Residential Property Transfers Occurring Fewer than 365 Days Apart by Sales Price Change, 2004-2006, Columbus Neighborhoods

Franklinton

	FEWER THAN 90 DAYS	BETWEEN 90 AND 364 DAYS
Properties with two transactions (1)	31	29
Loss in sale price (i.e. below prior sale price)	3	5
Gain of 1-24%	8	5
Gain of 25-49%	8	6
Gain of 50-99%	5	2
Gain of 100-199%	5	5
Gain of 200% or more	2	6

(1) The two most recent transactions of any type, where the price is known, among (occupied or vacant) single family and 2 to 3-unit residential properties

Livingston-Driving Park

	FEWER THAN 90 DAYS	BETWEEN 90 AND 364 DAYS
Properties with two transactions (1)	44	74
Loss in sale price (i.e. below prior sale price)	3	4
Gain of 1-24%	5	8
Gain of 25-49%	7	2
Gain of 50-99%	6	17
Gain of 100-199%	16	28
Gain of 200% or more	7	15

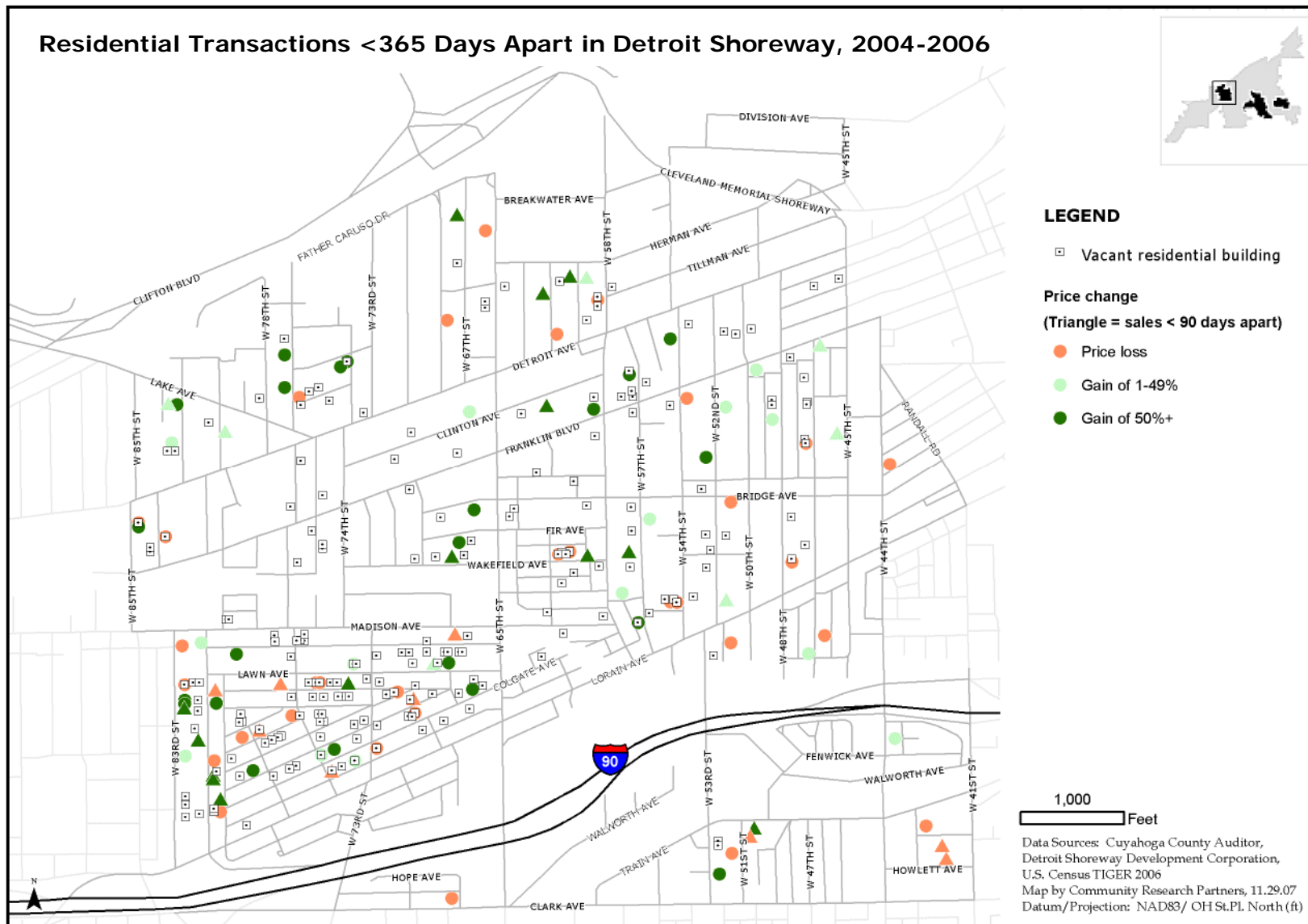
(1) The two most recent transactions of any type, where the price is known, among (occupied or vacant) single family and 2 to 3-unit residential properties

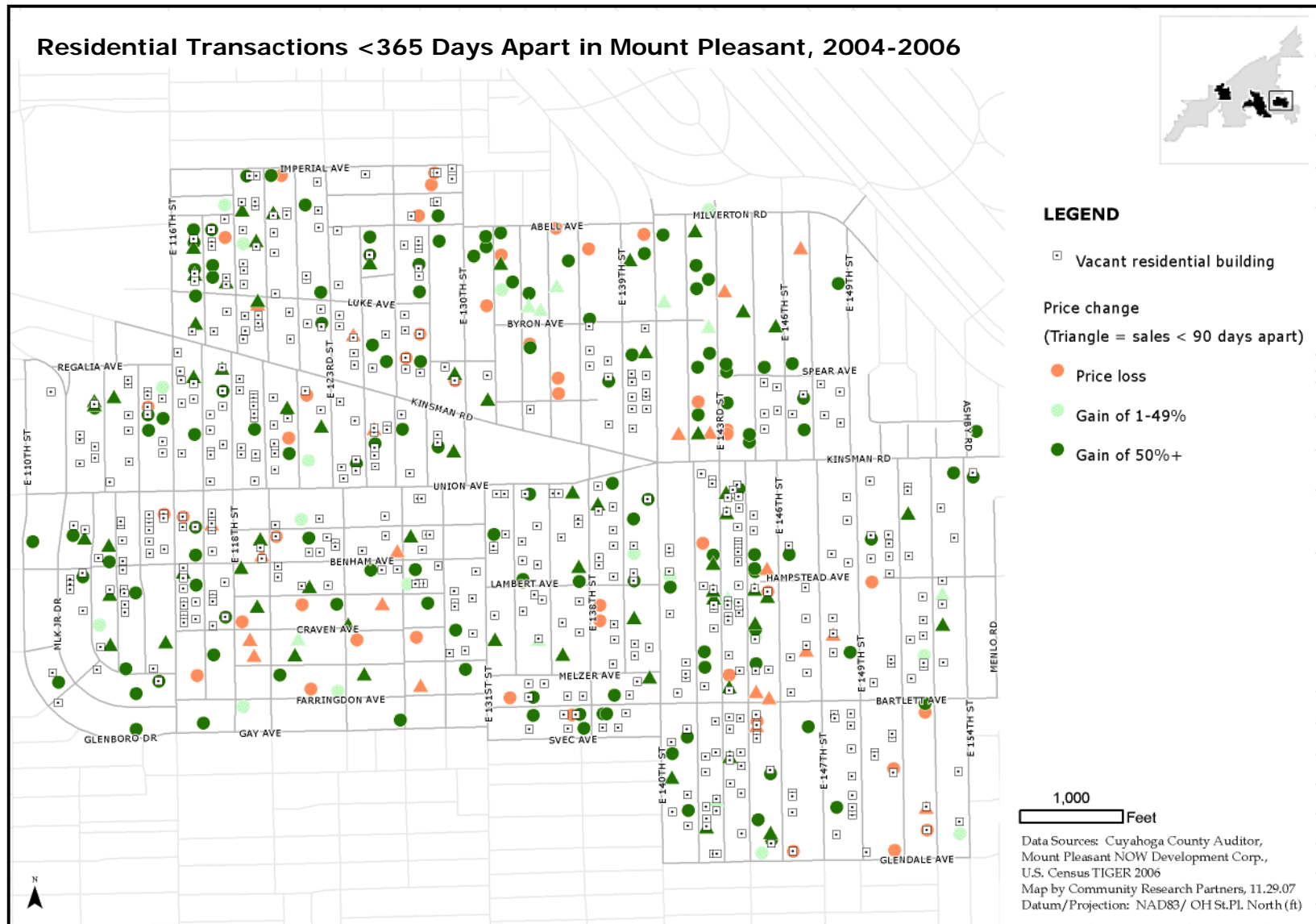
North Linden

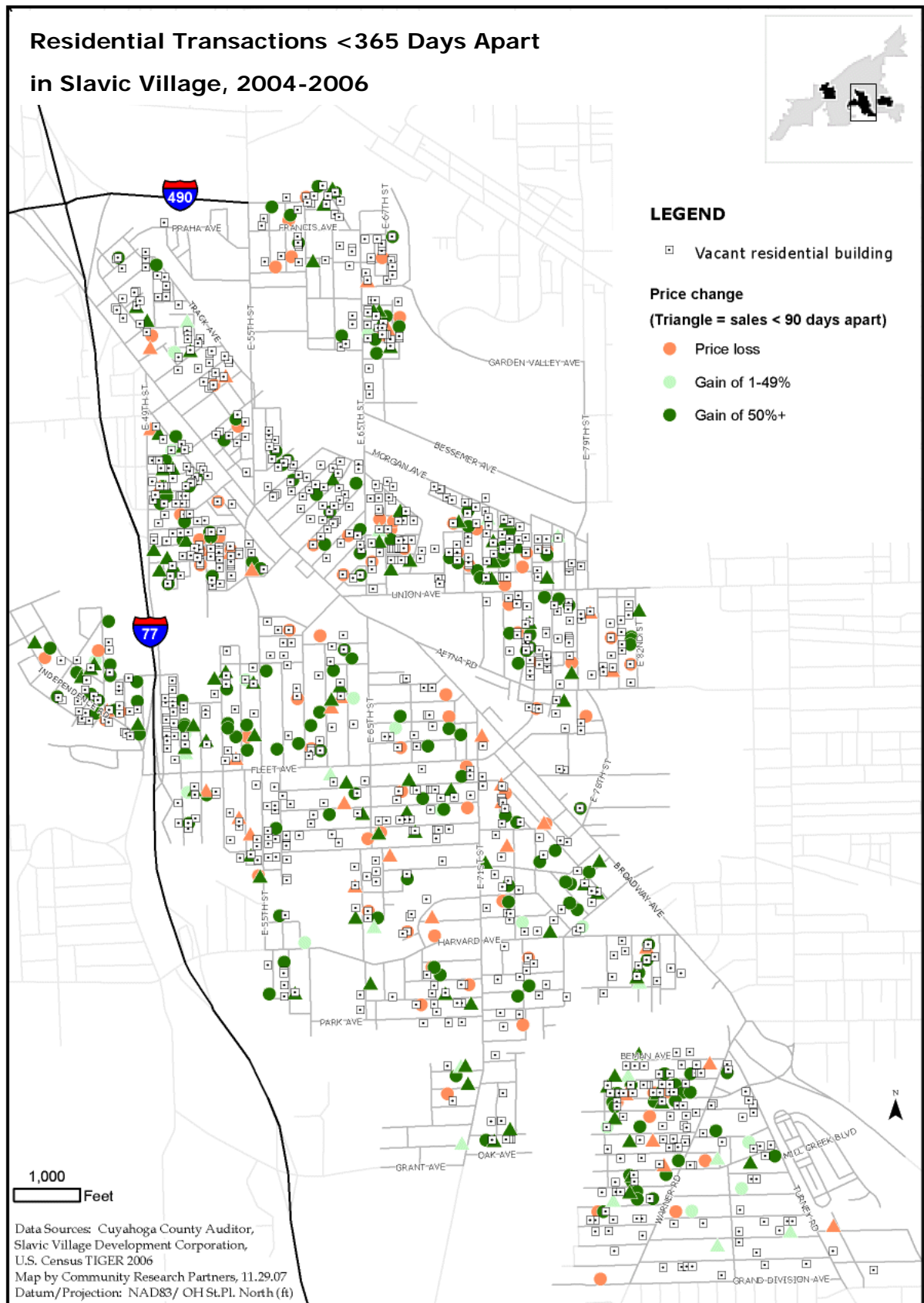
	FEWER THAN 90 DAYS	BETWEEN 90 AND 364 DAYS
Properties with two transactions (1)	39	89
Loss in sale price (i.e. below prior sale price)	4	3
Gain of 1-24%	9	11
Gain of 25-49%	8	12
Gain of 50-99%	9	31
Gain of 100-199%	6	24
Gain of 200% or more	3	8

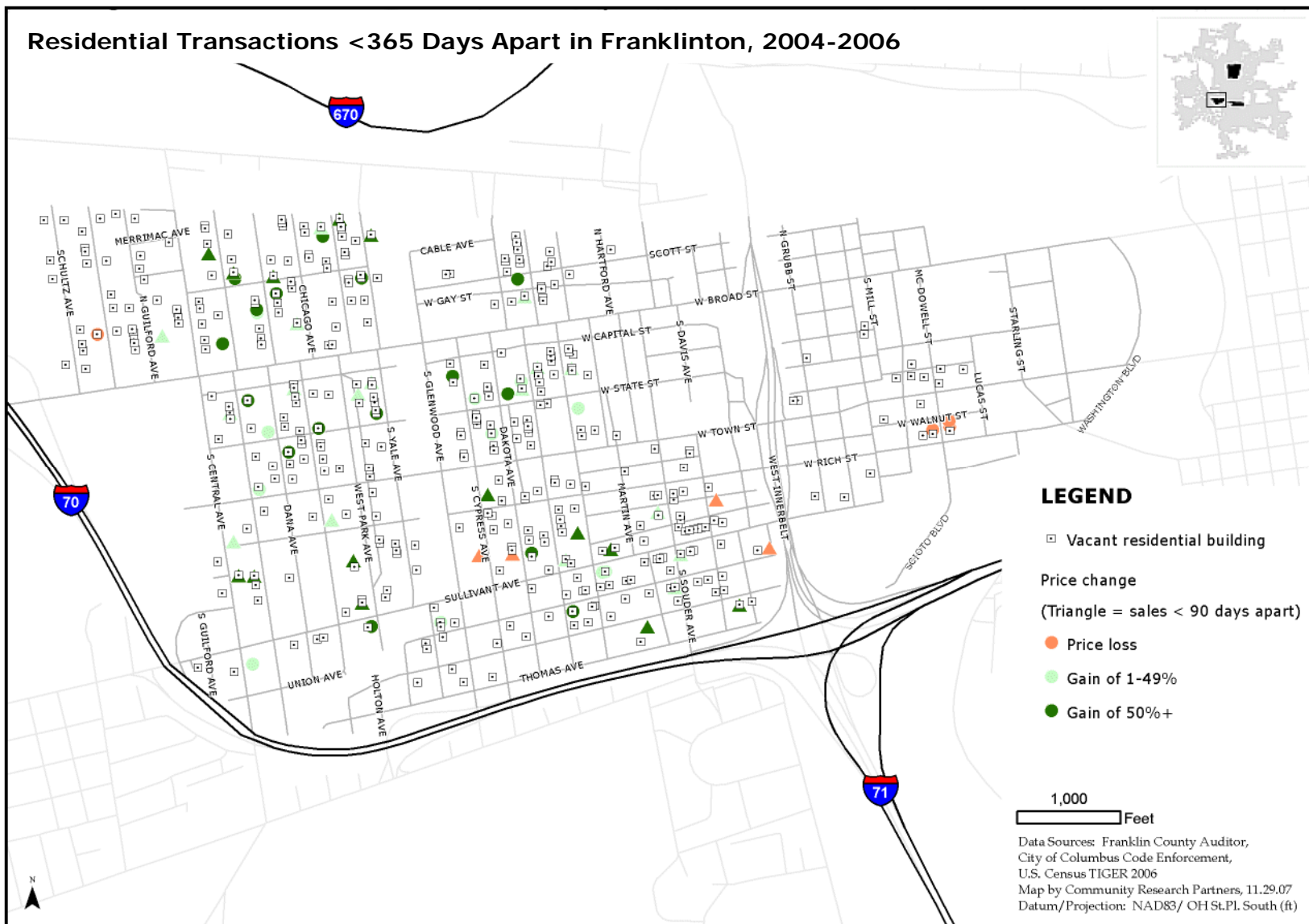
(1) The two most recent transactions of any type, where the price is known, among (occupied or vacant) single family and 2 to 3-unit residential properties

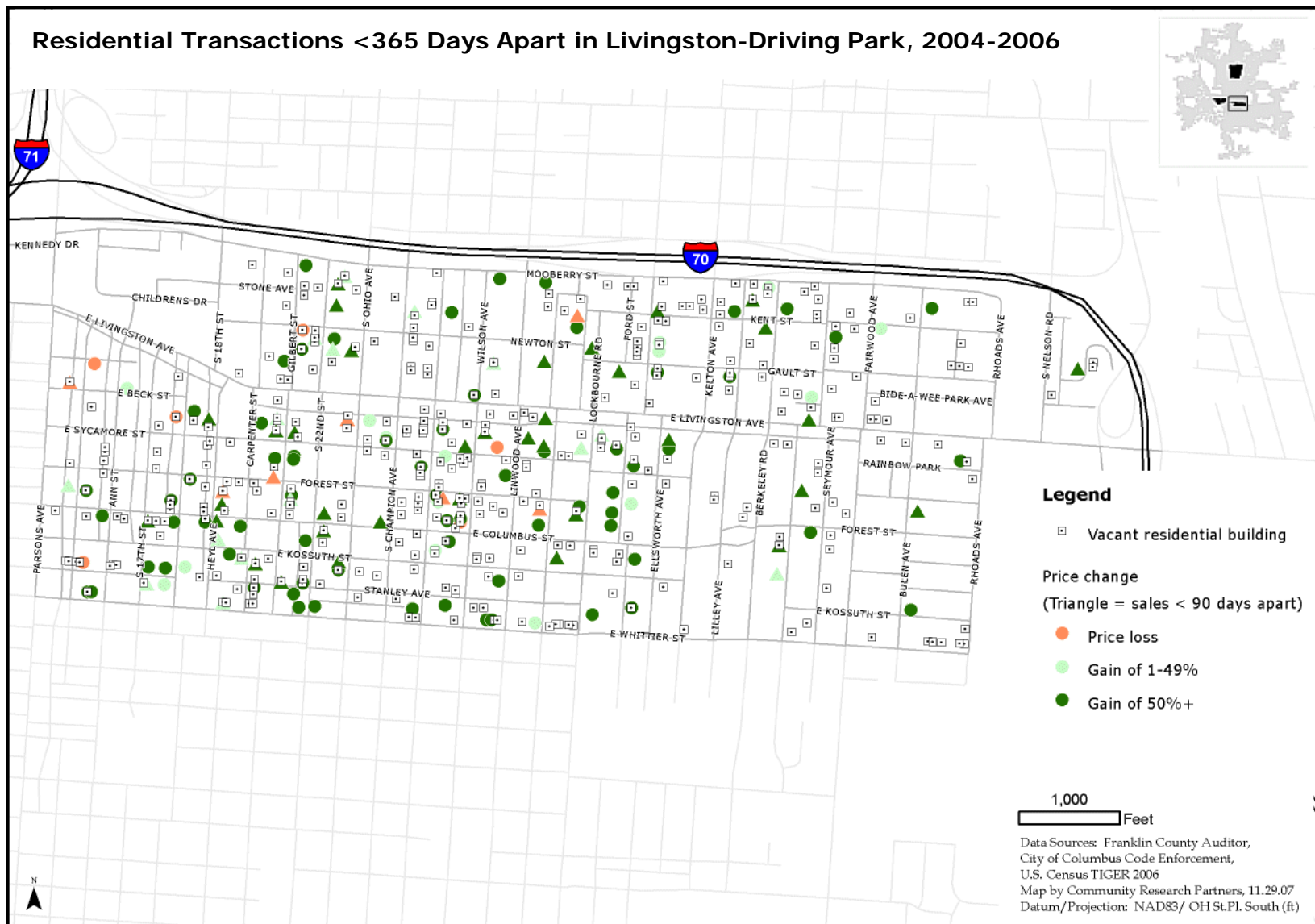
Residential Transactions <365 Days Apart in Detroit Shoreway, 2004-2006



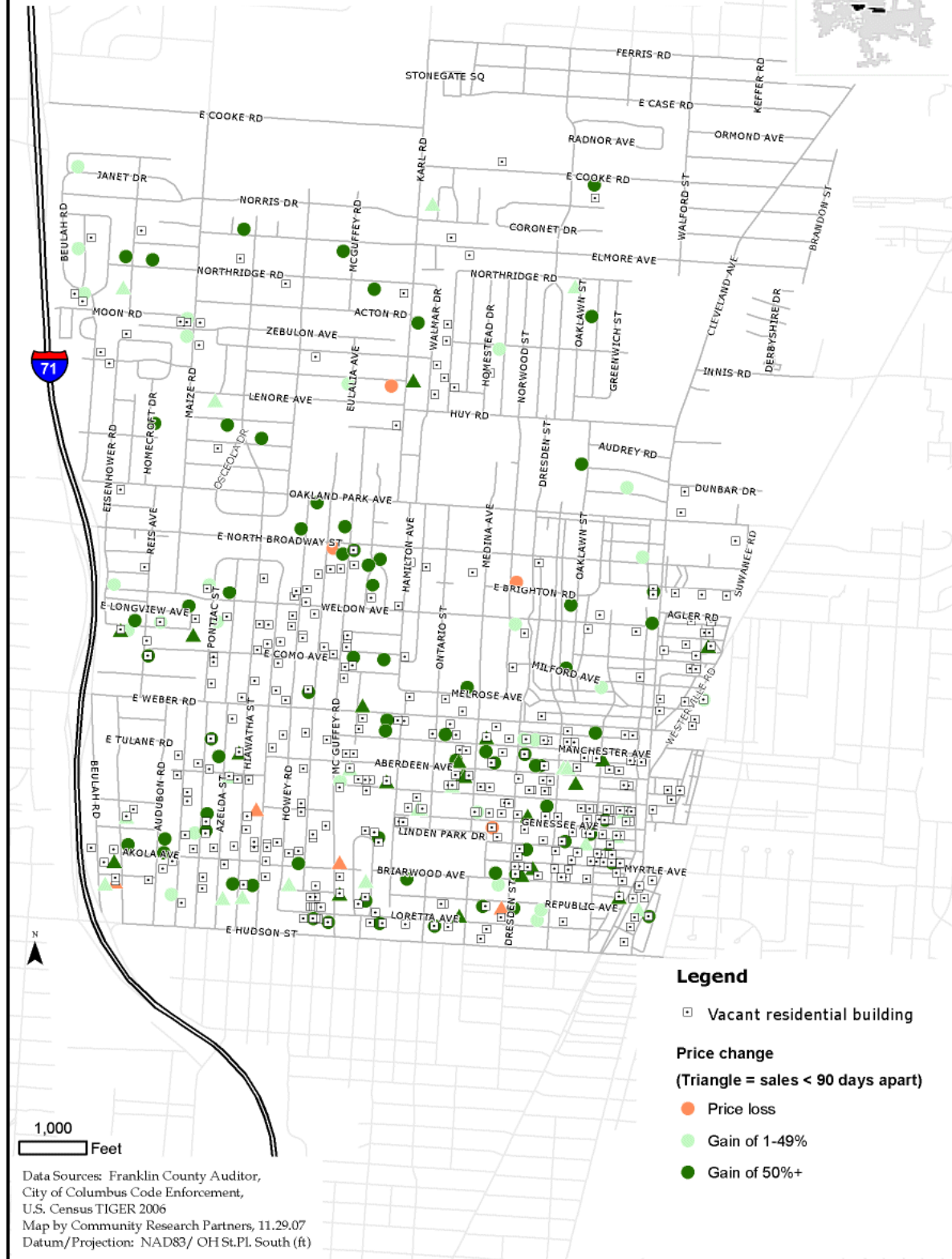








Residential Transactions <365 Days Apart in North Linden, 2004-2006





300 E. Broad St., Suite 490 / Columbus, OH 43215
Phone: 614-224-5917 / Fax: 614-224-8132

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www.communityresearchpartners.org

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